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Multilateral Missile Curb Mechanism Urged

PM2406114791 Moscow KRASNAYA ZVEZDA in Russian 22 Jun 91 First Edition p 5

[B. Tuzmukhamedov "Viewpoint": "Gulf War 'Missile Episode'"]

[Text] Anyone who closely followed the war in the Persian Gulf will certainly have noticed the Iraqi side's use of "Scud" missiles. Despite vigorous countermeasures, some of these missiles managed to reach targets on the territory of Israel and Saudi Arabia. It is a good thing that they were equipped with conventional warheads, rather than chemical ones, as many people had feared they would be.

Was there a danger of escalation of the "missile war"? Yes there was. Indeed, Egypt and Syria have similar systems. Saudi Arabia has purchased missiles of the same class. Israel, which on this occasion wisely kept out of it, has its own "Jericho-1" missile, which has a range comparable to that of the "Scud."

The Near East is not the only region where the embers of unresolved conflict in which the opposing sides possess surface-to-surface missiles with ranges between a few dozen and several hundred kilometers are smoldering and from time to time flare up. Missiles are proliferating far and wide among developing countries. They get them from abroad, they build them on license and in conjunction with traditional producers, and they also create their own. There have been instances of cooperation among these states—for example, the Argentine-Egyptian-Iraqi consortium to create the "Condor-2" medium-range missile.

These countries want to have missiles for various reasons. National prestige is a factor, as are attempts to offset a threat from neighbors, a desire to weaken the influence of stronger powers, and the intention to achieve a breakthrough in the sphere of modern technology. In short, it is a mixture of economic, political, military, and psychological factors.

But the striking thing is that some of the states that are suspected of intending to acquire missiles are not party to the Nuclear Nonproliferation Treaty. When you consider that by no means all of the developing countries are capable of fitting their missiles with sophisticated guidance systems enabling them to deliver conventional warheads to a target with a high degree of accuracy, these shortcomings can be compensated for by warheads with more powerful kill mechanisms.

We are faced with a problem that requires highly energetic, multilateral efforts, coordinated with other spheres of the arms limitation process. Some steps have already been taken in this direction. In 1987 the leading Western countries adopted a "declaration on policy in the sphere of missile technology control arrangements," which prescribes "restraint" in the matter of exporting missiles with a range in excess of 300 km and throw-weight of more than 500 kg and corresponding technologies. The arrangements were weakened, however, by being based on guidelines that were only recommendatory, thus leaving loopholes. Indeed, the number of parties involved is not very large either. However, if refined by means of the development of cooperation and reciprocal information between the main developers of technology and the manufacturers and concretization of restrictions on deliveries, including a system of inspection and sanctions for any violation, it could well serve as a basis for dialogue.

The USSR, which had earlier held consultations with a number of exporting countries, endorsed the control arrangements, as reflected in the Joint Statement on Nonproliferation Questions, signed during the Soviet-American summit in Washington in 1990. The statement addressed, in particular, support for the aims of the missile technology control arrangements, whose spirit and guidelines all countries want to see observed. There was mention of USSR and U.S. readiness for bilateral and multilateral dialogue on the issue, for continuing work aimed at strengthening international restrictions on the spread of missiles and missile technology.

One possible way of solving the problem would be the creation of a multilateral mechanism similar to the International Atomic Energy Agency [IAEA] which, while prohibiting proliferation, would not prevent interested countries from gaining access to missile technology for peaceful purposes. By analogy with the IAEA, this mechanism would ensure monitoring both of the use of equipment supplied and of the development of the missile industry, in order to detect in good time and prevent modification for military purposes. Financial levers provided by international banking organizations, operating in accordance with the missile regime or on a credit principle, might serve to persuade developing countries not to participate in the missile race.

The experts themselves might step up national monitoring of the prevention of the spread of missiles and technology. They might work to secure stiffer domestic legislation regulating exports of them, enhance the role of customs services, and, in their relations with importers, and secure the possibility of monitoring the use of supplied articles throughout their operational life. Perhaps it would be a good idea to consider reviewing the basic parameters of missile technology which exporters are permitted to export (range and throw-weight) in the direction of reducing them.

We can scarcely expect all suppliers and purchasers of missiles (some manufacturers and not a few importers have not endorsed the aforementioned arrangements) to be prepared to abandon their goals. For some it is a profitable business, for others it is a means, albeit illusory, of safeguarding their security interests in conditions of unresolved regional crises. Without resolving them, it is not possible to break the vicious circle of action and reaction, where one state drives its missile and nuclear program forward and its neighbors, to offset

this, hasten to put chemical warheads on their missiles. We must also be aware that the spread of missiles has already attained considerable dimensions.

Therefore, at this actual moment we should set about studying this problem in all its aspects at a multilateral level—say, in the UN Disarmament Commission—and, at a future date, include it in the agenda for the Geneva Conference on Disarmament, authorizing it to elaborate an international treaty. The Gulf War "missile episode" is a stern warning that must be treated very seriously.

India Prepared for Global Arms Control Dialogue

LD2206153291 Moscow TASS in English 1358 GMT 22 Jun 91

[By TASS correspondent Sergey Karmalito]

[Text] New Delhi June 22 TASS—India has been and remains prepared to enter into negotiations with any country, including Pakistan, with a view to resolving nuclear arms control problems on a global scale, an Indian official spokesman told TASS.

The country's stand in this respect remains unchanged and the new Indian Government hardly intends to revise it substantially, the spokesman said.

In recent days India's approach to the problem attracted attention in view of the initiative put forward by Pakistani Prime Minister Nawaz Sharif who called on the Soviet Union, the United States and China to begin consultations with Pakistan and India on the question of non-proliferation of nuclear weapons in South Asia.

According to data from high-placed official sources, India continues to adhere to the view that the search for solutions to global nuclear arms control problems cannot be approached at regional level. This is why Sharif's proposal is viewed here as an obviously discriminatory one, putting various countries in unequal positions and ignoring their interests and capable of creating only an illusion of safety.

It is also believed in the official quarters of the Indian Ministry for External Affairs that it was not by chance that Sharif's statement was made precisely now that a discussion has begun in the United States on the question of linking U.S. military and economic aid to Pakistan with its nuclear programme.

Analysts here pay attention to the fact that over the past several years Pakistan has been promoting the idea of establishing a nuclear-weapons-free zone in the South Asian region. But while so doing Pakistan continues to implement its covert programme for the development of nuclear weapons, which has been repeatedly confirmed by various facts.

Against this background, the Pakistani prime minister's proposal is viewed by India as a propaganda ploy designed to mislead the public opinion and produce a favourable impression on U.S. lawmakers, prompting them to lift restrictions against Pakistan.

It is emphasised in official circles that, unlike Pakistan, India's nuclear programme, unlike that of Pakistan, has always been open to civilian inspections and was not oriented towards the development of weapons. This stand remains unchanged as well.

It is believed here that, within the context of the current discussion, it is appropriate to recall the action plan put forward by India at the UN General Assembly's third special session on disarmament, to build a world free from nuclear weapons.

At a high official level, India has again reaffirmed its striving to seek the implementation of a stage-by-stage programme set out in the action plan to eliminate nuclear weapons within the framework of an agreed-upon timetable.

Such a programme, in India's view, must envisage a pledge by states possessing an appropriate potential not to overstep the nuclear threshold towards to the development of nuclear weapons.

Ignatenko on Gorbachev Agenda at G-7 Meeting

LD2506173691 Moscow Radio Moscow World Service in English 1700 GMT 25 Jun 91

[Text] President Gorbachev has met in the Kremlin with Prof. Graham Ellison of Harvard University, one of the Americans who helped the Soviet economist Grigoriy Yavlinskiy draw up a program for this country to cope with the crisis.

The meeting involved a member of the National Security Council, Dr. Yevgeniy Primakov, and Grigoriy Yavlinskiy himself.

Press Secretary Vitaliy Ignatenko told a Moscow briefing this was an in-depth theoretical discussion of ways of combining what is happening in this country with world developments and the world economy.

Mr. Igantenko said the report President Gorbachev will make at the big seven meeting in London on the 17th of next month spells out the Soviet reform mechanism. The press secretary pointed out that the president is going to London to win understanding of reforms and a desire to advance economic cooperation between the Soviet Union and Western nations.

Bessmertnykh Describes U.S., CSCE Talks

PM2506132391 Moscow IZVESTIYA in Russian 25 Jun 91 Union Edition p 6

[Report by IZVESTIYA diplomatic correspondent M. Yusin: "Interview on Board Aircraft: A. Bessmertnykh on Results of Berlin Meeting and Talks With J. Baker"]

[Text] Berlin-Moscow—In the aircraft en route from Berlin, where the first conference of the 35 CSCE states' foreign ministers took place, Aleksandr Bessmertnykh, head of the Soviet diplomatic department, met with journalists who accompanied him on the trip.

A considerable proportion of the conversation was devoted to the talks with U.S. Secretary of State Baker that Bessmertnykh had in Berlin on the eve of his departure. "As during my previous meetings with the secretary of state," Bessmertnykh said, "our attention focused on two key issues—the treaty on strategic offensive arms reductions and the preparation of an international conference on the Near East."

The minister was asked why, for the umpteenth time since the meeting between Baker and Bessmertnykh, the interlocutors have been speaking to journalists of "progress in the strategic offensive arms sphere" but no real fruits of this progress can be seen and the treaty is still not ready for signing. Bessmertnykh said that during the final stage of the preparation of disarmament agreements progress is always measured "in meters or even centimeters and not kilometers." According to him, three questions remain unresolved today, preventing the conclusion of a treaty. The first relates to the sphere of telemetry, the second concerns the number of warheads, and the third concerns the criteria by which new types of missiles should be defined.

The minister said that Soviet and U.S. experts are now sitting in Geneva trying to resolve these problems. Another group will set to work in the next few days. "I hope that they will be able to unravel one and a half or even two of the three knots over the next two weeks," Bessmertnykh reckoned. He admitted that the Americans introduced a new element on the question of telemetry at the last minute which held up progress at the talks. Speaking to journalists a little earlier, the diplomats who took part in the trip were more definite: The Americans' "new element" is considerably hampering progress in preparing the treaty. If it is discussed thoroughly [doskonalno] this could take "months, if not years." In the opinion of these diplomats, a political solution is needed. If the two countries' governments set the experts specific dates by which the treaty is to be prepared many questions would be resolved far more rapidly.

Journalists were interested as to why Bessmertnykh stopped by at the hotel where Baker was staying for ten minutes after the close of the talks. There was no official announcement of this unscheduled meeting and the press has been making countless guesses. The minister said that he did indeed see the secretary of state, but did not go into details: "There was one question that we failed to fully agree upon and I did not want to discuss it over the telephone."

As for the date of the Soviet-U.S. summit meeting, that is still unclear. According to Bessmertnykh, the USSR wants to hold it as soon as possible—within the next few weeks. Everything depends on when the last disagreements on strategic offensive arms are removed.

Bessmertnykh also touched on the situation in the Near East: "We are maintaining regular contacts with the Americans. That is necessary since the situation is constantly changing—sometimes for the worse. It is important to coordinate our actions." As regards the peace conference that the United States and the Soviet Union are striving to convene, everything is not going as smoothly as we would like. "There are still serious problems," Bessmertnykh said. The main obstacle, according to him, is the Israeli Government's stance. This was seen, in particular, in the recent statement issued by Prime Minister Yitzhaq Shamir of which Bessmertnykh voiced a negative opinion.

Speaking about the results of the CSCE foreign ministers' meeting in Berlin, journalists focused their attention on the disagreements that arose at first between the USSR and most member countries. They concerned the mechanism for settling crisis situations which was set up in Berlin. The Soviet delegation insisted that the senior officials' committee, formed for this purpose, be convened solely on the basis of consensus. Thus, the USSR

would be guaranteed that the Baltic issue, for instance, would never be raised at the committee.

Our delegation ultimately reached a compromise and agreed to cancel its demand for consensus. Our negotiating partners made a counterconcession. The text of the final document included a reference to the fact that the mechanism should not be used to interfere in internal affairs. (Let us note that Western states, which do not recognize the legality of the incorporation of Lithuania, Latvia, and Estonia into the USSR, do not regard the situation in the Baltic republics as our country's internal affair).

Commenting on the situation that arose, Bessmertnykh said that by the end of the first day of the meeting the disagreements were very serious and the situation seemed deadlocked. But then a way out was found: "During a working breakfast (at the beginning of the second day) I suggested a compromise (that is the reference in the final document to the principle of noninterference in internal affairs) and everyone agreed. The problem was eliminated."

Developing this theme, a high-ranking Soviet diplomat involved in the talks said that in the initial stages of the discussion the USSR and Turkey reacted skeptically to the mechanism for settling crisis situations (the Turks were afraid that the Cypriot question might be raised at the committee on Greece's initiative). Yugoslavia, which has encountered problems somewhat similar to ours, also displayed reserve. During the debate however, certain wordings were clarified, including the key wording—what is meant by an extraordinary situation. This dispelled the misgivings harbored by a number of delegations.

After a long discussion a compromise option was also adopted on the question of how many countries need to agree in order for the senior officials' committee to be convened. They settled on 13—the initiator country demanding the convocation plus 12 states backing this demand. Thus, the meeting's participants abandoned the figure 12 that suited the EC members and the half or two-thirds that our delegation at first wanted.

Bessmertnykh's immediate plans include taking part in the council of USSR and Union republic foreign ministers that opens in Minsk on Thursday and will last two days.

Latvian Foreign Minister on Meeting With Baker

OW2106063391 Moscow BALTFAX in English 1830 GMT 20 Jun 91

[Following item transmitted via KYODO]

[Text] Latvian Foreign Minister Janis Jurkans told BF [BALTFAX] that the meeting between the U.S. Secretary of State James Baker and Foreign Ministers of the three Baltic republics on June 19 in Berlin "was fruitful but rather of an informative character".

According to Mr. Yurkans, they exchanged opinions about further participation of the Baltics in the Helsinki process.

He says all the four sides agreed that the signing of a new Union treaty can considerably change the position of the Baltics both in the European process and in relations with the USSR and its republics. That change, in their opinion, will inevitably lead to higher status of the Baltic republics on the international arena.

CSCE Shows Its 'Usefulness' at Berlin Meeting

PM2506135391 Moscow SOVETSKAYA ROSSIYA in Russian 22 Jun 91 First Edition p 5

[IAN and SOVETSKAYA ROSSIYA correspondent V. Chervakov report: "On the Results of the All-European Forum: Meeting of Realized Expectations"]

[Excerpts] Berlin—The first meeting of the Council of Foreign Ministers of the countries participating in the CSCE has completed its work in Berlin. You can in general say that this was a meeting where expectations in general were realized. Since Albania joined the CSCE, it has finally become a genuinely all-European forum, although it seems that the process of its final formation is far from complete. It is likely that in the future we will have to come to terms with it being joined by new members, perhaps several republics that today are still part of the Soviet Union or Yugoslavia.

The Ukrainian, Belorussian, Azerbaijani, and Armenian foreign ministers and the RSFSR [Russian Soviet Federated Socialist Republic] deputy foreign minister came to the German capital as full members of the delegation, together with Aleksandr Bessmertnykh. A situation which is rather unusual for forums of this type. But it reflects the real processes under way in the Soviet Union at present and the national republics' increased interest in collaborating in the formulation of all-Union foreign policy. The leaders of the foreign policy departments of the three Baltic republics were also here in Berlin. As the Soviet delegation's representatives reported, the Baltic republics rejected an offer to participate in the Berlin meeting's work within the framework of the all-Union delegation. So they only received the status of guests of the Scandinavian countries' delegations.

The ministers' two-day debates were difficult for everyone. Probably only on one point was a decision adopted immediately, after German Foreign Minister Hans-Dietrich Genscher put to the vote the proposal to admit the last of the European states—Albania—to the CSCE forum. It now had 35 participants.

Things were much more difficult with regard to the other main questions at the Berlin meeting, primarily how—indeed, whether—the CSCE will be able to guarantee genuinely collective security in Europe. Berlin was expected to provide an answer to this question, if only a partial answer, but one that would be certainly followed up. In some people's opinions, the CSCE should become

better than the United Nations, which has not succeeded in neutralizing wars, crises, and conflicts. Skeptics claim that this will not be achieved, inasmuch as it is hard to find a common denominator to which the interests of all countries participating in the CSCE process can be reduced. In this connection, in their opinion, NATO as a proven instrument should remain one of the pillars of European security for an indefinite period.

As we know, not all participants of the Berlin meeting agree with this stance. Including the Soviet Union. In his speech the USSR foreign minister pointed out the danger of inevitable differentiation in the event of the existence of parallel NATO and CSCE structures, which in certain circumstances might not cooperate with but counteract each other. [passage omitted]

Perhaps for the first time since 1975, when the CSCE process was set in motion in Helsinki, after a lack of faith, skepticism, and even the prediction that the Berlin forum would collapse, it has demonstrated its usefulness by showing the way to a new European order demanding completely new approaches.

At the same time it should not be forgotten that stability on the continent today, when the danger of direct military confrontation has clearly abated, is also determined by the degree to which there is stability in the economy, environmental protection, and the social sphere. Each of these factors can swing the pendulum in a dangerous direction. The situation can remain stable only if it is bolstered by comprehensive cooperation among all the CSCE member countries. [passage omitted]

Observer Evaluates Results of CSCE Meeting

LD2106221591 Moscow TASS in English 2110 GMT 21 Jun 91

[By TASS political observer Vladimir Shelepin]

[Text] Moscow June 21 TASS—It has been mentioned on more than one occasion that the mechanism of the Conference for Security and Cooperation in Europe (CSCE), set in motion in 1975, has a serious defect along with numerous advantages: It is not effective enough. During the period of confrontation the very possibility to discuss problems that were a source of concern for the continent and adopt coordinated resolutions on them was indispensable for the improvement of the climate in Europe. At present, however, the situation both permits and emphatically requires to go further—towards concrete actions aimed at consolidating and developing what has already been achieved.

This is why on the eve of the end of the first session in Berlin of the Council of Foreign Ministers of CSCE member states mass media, including TASS, expressed hope for tangible results to be achieved at such a representative forum. Along with the discussion of conceptual, long-term problems the agenda of the session included the items on which decisions should be taken right away, in order not only to set the direction of the European process, but also to ensure its development along that direction.

The main documents adopted in Berlin have been published and are commented on. Their thorough analysis and comprehensive assessment will be done in the future. One thing is clear: the debut of the CSCE Council of Foreign Ministers—a new European authority created on the basis of Paris summit resolutions—was a success, and not only because many interesting, original and timely ideas were set forth. The main achievement of the session was that foreign ministers from 35 European countries, the United States and Canada reached agreement on a mechanism of preventing conflicts in Europe.

It is clear to see why this is so important. Against the background of favourable changes taking place at the continent, manifestations of goodwill, mutual assistance and humanism, in the atmosphere of rejection of ideological banalities old conflicts in Cyprus and Ulster look exceedingly out of place. Continuing tension in the Transcaucasian region and Baltic republics of the Soviet Union, in Yugoslavia and in Hungarian-Romanian relations evoke special concern. Unfortunately, a list of conflicts could be made longer, both for eastern and western Europe. One thing is important: From now on conflict situations cease to be the exclusive affair of the countries and nations involved in them.

The mechanism of preventing and settling conflicts, worked out early this year by CSCE experts in Valetta, Malta, has been adopted as a principle and a guide for action. If no less than 12 countries believes that the developments are taking place in some part of the continent, or are about to take place there, which pose a threat to peace and stability in Europe, they can demand the convocation of the committee of senior executives, i.e. an urgent meeting of high-ranking diplomats, who will be authorized to work out and adopt resolutions on urgent measures to be taken.

The idea to expand the prerogatives of the centre for preventing conflicts functioning in Vienna, which had long been put forward by Soviet diplomats, was unanimously supported in Berlin. Along with the study of security problems in the military sphere and arms control, this permanent CSCE body will create an atmosphere of confidence, prevent conflict situation and, if need be, serve as a kind of a multilateral hotline to ensure rapid response for the purpose of the settlement of a conflict dangerous for the cause of peace.

It is difficult to agree with some foreign observers, who described this decision as a history-making event and almost a "revolutionary" step. Excessive euphoria is seldom appropriate. It is obvious, however, that the beginning was set for going over from words to deeds in the all-European process. If effective mechanisms are now added to the goodwill of all participants in the CSCE process, one has every reason to hope that the

foreign ministers will bring interesting suggestions to the next session, which is to take place in Prague in January 1992.

U.S., West Urged To Reconsider Trade Policy

LD1806101691 Moscow Radio Moscow World Service in English 2300 GMT 17 Jun 91

[Commentary by Vladislav Kozyakov]

[Text] President Mikhail Gorbachev has willingly accepted the invitation extended by British Premier John Major to meet with the Group of Seven leaders in London in the middle of next month. The Soviet leader said as much in Moscow last Saturday. Vladislav Kozyakov comments:

In London President George Bush and his colleagues expect to receive first-hand information about the Soviet reforms. The West sets much store by information of this kind. It wants to understand what it can expect from economic cooperation with a great nation that is moving toward a market economy. Last Friday the American President said he wants to see more reforms in the Soviet Union before offering major aid. George Bush was speaking to newsmen as he was flying to California. I think we need a reform package, he concluded.

Well, an impressive package of economic reform laws and acts in this country is what will be discussed in London. President Gorbachev said on national television last Saturday he is going to inform the leaders of the Seven about what this country wants to do. Mind you, this will be the view of his cabinet and the view of the leaders of republics as well as his own program. No one in this country expects any checks or any other concrete actions from the London meeting. It would be enough to reach understanding as to how the West and this country could update their relations. The meeting could help outline more forums of economic cooperation to jibe with changes in the international situation.

It would be wrong to zero in on the Soviet reforms alone. The time has come for the Americans and other Westerners to reconsider their trade policy towards the Soviet Union. This policy was built many years ago to meet armed confrontation, but aren't the cold war stereotypes still burdening on this policy? Moscow has welcomed President Bush's decision to grant this country half a billion dollars worth of credit to buy American grain. Reports that this country is in for Most Favored Nation treatment in trade have been equally welcomed, but unfortunately Washington has taken just the first few steps towards more normal economic ties with the Soviet Union. True, our two nations cooperate on the international scene, but their trade is yet to go a long way to what it was like before World War II. Trade credits are common around the world, but this country is denied them. American legislation remains discriminatory and Cocom exports restrictions are still in force. But if economic relations are to be successful they must be equal and mutually advantageous. Incidentally, the program the University of Harvard has outlined which the participation of Soviet expert Grigoriy Yavlinskiy recommends lifting trade restrictions.

In short, if there is to be broader economic cooperation with this country, the United States must meet the Soviet effort halfway.

Idea of 'Bribes' by 'Seven' Rejected

91UF0894A Moscow TRUD in Russian 20 Jun 91 p 5

[Anatoliy Repin report: "We Shall Not Accept Bribes"]

[Text] A great deal is now being read into why M.S. Gorbachev is going to meet the leaders of the very rich "Seven." The president explained much of it himself in his television interview last Saturday: It is not to beg for aid but to engage in a thorough discussion of economic cooperation under the new conditions, which are fundamentally different from those in the past.

It is thought, however, that it is not so easy to overcome the stereotype idea of this visit as one designed exactly to seek loans. It is not happenstance that the idea of the Marshall Plan has been mentioned in connection with the London trip.

We undoubtedly do need loans. But that is just one way of reaching a goal that is no less important for the "Seven" than it is for us. What are we talking about here? We are talking about the fact that the inclusion of the Soviet Union in the world market is in the interests of the world economy itself, and that economy is represented primarily by the "Seven"—the highly developed countries (the United States, Germany, Japan, England, Canada, France, and Italy). Their main concern is the growth and expansion of international trade, otherwise a decline in production will loom. For the lion's share of world trade is the trade exchanges between the most developed cities—those that produce a great deal and trade mainly among themselves because they are the ones who are able to pay.

Their own market, however, is not boundless. And since the prospects for an economic upsurge in the Third World are extremely obscure, their gaze has turned to the Soviet Union—an enormous "terra incognita" for world business, which is well aware of the reality of the prospects for rapid development in the USSR as it switches to a market economy. "It is the world's richest country"—this was emphasized recently in a CNN broadcast dealing with the upcoming London meeting. However, our readers are aware of this from the statements by major representatives of business circles published in TRUD, who, incidentally, repeatedly made reference to the Marshall Plan.

And this is why. As THE WASHINGTON POST recently wrote, this idea as applied to the USSR is

erroneous under these conditions. "Europe," the newspaper wrote, "had experience in management and traditions of private property and the market. The Soviet Union is totally devoid of such knowledge and traditions. The idea of a 'Marshall Plan' serves merely to distract from the essence of the problem. We cannot force the Soviet Union to move to reforms in exchange for a bribe from us."

Correct. No one will offer us a bribe, and we shall not ask for one. To decide how to act together to expand the world market by moving it into the orbit of the immense Soviet economic space—that is what we should thinking about, and that is the direction in which we should move.

U.S., Soviet Views of 'New Order' Contrasted

PM2106142191 Moscow KRASNAYA ZVEZDA in Russian 18 Jun 91 First Edition p 3

[Article by Candidate of Military Sciences, Lieutenant General A. Politsyn, and Colonel V. Linkevich: "The New World Order: How It Is Seen by the USSR and the United States"]

[Text] The rapid development of events on the world stage in recent years has brought onto the agenda the need for states and alliances of states to review their approaches to the entire system of international relations. The shifts that are prompting this review have been caused by various factors, but mainly by perestroyka in the USSR. As a result, major positive changes have already occurred in the world.

Let us remind readers of these. The cold war is over. The threat of global nuclear war has virtually been lifted. The Iron Curtain has disappeared. There is not one country on the continent of Europe which does not regard itself as fully sovereign and independent. The two nuclear superpowers—the USSR and the United States—have covered a path from confrontation to cooperation and even partnership in some cases.

Real disarmament has begun. The signing of a strategic offensive arms treaty is close at hand. Nuclear forces are being cut back, as are military budgets. Foreign troops are being withdrawn from other countries' territory, the number of troops is being reduced, and force composition is changing to a more defense-oriented direction. Contacts are being established between armed forces representatives. They meet often, exchange opinions, show each other their military installations which were top secret until recently, and discuss possible ways to demilitarize.

Particularly significant changes in international relations have been brought about by events such as the unification of Germany and the disbandment of the Warsaw Pact's military organization.

Owing to this and a number of other factors, among which the victory of the multinational forces in the Persian Gulf war played a major role, the need to establish a new world order is becoming increasingly evident. The search for ways to achieve this is probably being made in one form or another in all the countries of the world. The new political thinking that has been incorporated into the USSR leadership's armory is also dedicated to the search for this new world order.

What, then, do we understand by the new peace? This was very clearly stated in M.S. Gorbachev's Nobel lecture: "Peace today presupposes rising higher than mere coexistence toward cooperation and collaboration between countries and peoples. Peace is a movement toward a worldwide, universal civilization. Never before has the truth of the indivisibility of peace been as true as it is now. Peace is not all the same, it is unity in diversity, the confrontation and agreement of differences. And ideally peace is an absence of violence, an ethical value."

In the present extremely complex conditions the leadership of the Soviet Union is continuing to pursue a peace-loving foreign policy in line with its understanding of the trends toward a new world order. Its main aim is to establish favorable foreign conditions for the future development of our country, to provide the Soviet people with the opportunity of working in peaceful conditions, and to eliminate the arms race which is placing a heavy burden on the economies of the states that are drawn into it.

In the sphere of international relations the USSR proceeds from the position that war is a totally unacceptable means of continuing politics and that it is necessary to search for new approaches to guaranteeing national and worldwide security. The security of the world community as a whole and of each state individually cannot be guaranteed when certain countries attempt to acquire military superiority over others. It can only be guaranteed by all-around disarmament on a mutual basis and the establishment of a reliable international security system. The core of the Soviet disarmament strategy is to eliminate the threat of mankind's nuclear self-destruction by cutting back and in the future entirely eliminating weapons of mass destruction. In present conditions there can hardly be any objection to this. The point is that the alternative is a continuation of the politics of force, the arms race, and ultimately a catastrophic, all-annihilating war.

The USSR leadership is not just restricting itself to a propagandist statement of its love of peace. It is taking extremely significant practical steps. Our Armed Forces have been unilaterally cut back by 500,000 men. The Treaty on Intermediate- and Shorter-Range Missiles has been implemented, whereby the USSR eliminated twice as many missiles and three-and-a-half times as many warheads as the United States. The CFE Treaty has been signed. Soviet troops are being systematically withdrawn from the territories of East European countries and Mongolia. The conversion of the USSR defense industry is under way.

Nevertheless, it would be an unforgivable mistake to regard our desire for peace based on rejecting the use of military force as having already been achieved, and to represent what is happening now as an era of international cooperation that is actually here. The fact is that the U.S. leadership and that of other NATO countries, while disregarding the general provisions of the Paris Charter for a new Europe which they signed, are not even for propaganda purposes prepared to recognize the necessity and possibility of establishing a world without military force, let alone the issue of making appropriate changes to their military doctrines and policies.

In the United States and other Western countries there has recently been frequent talk of the need to establish a new world order. This topic is aired in many speeches by Western political figures. For example, President G. Bush stated in his program speech to Congress after the conclusion of operation "Desert Storm": "Up to now the world we knew was a divided world, a world of barbed wire and concrete barriers, of conflict and Cold War. Now we can see the outlines of a new world. A world where a very real prospect of creating a new world order exists."

It would seem that these words are correct and clear. But let us take a look at the essence of this new world order toward which the United States intends moviong and whose establishment, in the U.S. view, is the main feature of the current situation. The American leadership believes that in this new order the preservation and strengthening of the U.S. leading role on the international stage should not be open to doubt. And this can be achieved through absolute U.S. military superiority over other states—primarily, of course, over the Soviet Union. This supremacy is to be guaranteed through a qualitative improvement in armaments, the development of new weapons, the development of the country's military-technological and industrial base, and an enhanced capability to rapidly redeploy large contingents of troops and military hardware to unstable regions of the world.

Thus, against the background of the Soviet Union's peace-loving and practical steps, the U.S. adherence to preserving methods of force in the system of international relations forms a fairly stark contrast. Whereas we favor the development of international cooperation on the basis of the balance of interests, they favor a balance of force, and moreover a balance that would guarantee them leadership and military supremacy. U.S. Defense Secretary R. Cheney, for example, speaks about this bluntly. In a speech to members of the Air Force Association he stated: "There are certain fundamental truths which retain their significance and which in the future will determine the course of events in years to come. Among these truths is the fact that peace and stability in the world will, as before, depend on U.S. strength and determination, on our readiness to provide an active presence throughout the world, wherever our interests or the interests of our allies are threatened. Peace and security will depend on the presence and potential of U.S. Armed Forces." In another recent speech Cheney stressed: "It is quite obvious that the United States is emerging as the only real superpower in the world."

We can observe the course to which the United States adheres in its practical affairs by studying the following examples.

The aim of U.S. military policy for the nineties is to bring the country's military might and all its military-economic potential into line with a policy that envisages using force to protect U.S. interests in any region of the world. In the future the American leadership intends to stick to a policy of "nuclear deterrence," and for this reason it is implementing a priority program of modernizing and qualitatively improving strategic offensive weapons. For example, provision is being made for the deployment of MX ICBM's, Midgetman missiles, Ohio-class nuclear submarines with Trident-2 submarine-launched ballistic missiles, new combat aircraft employing "Stealth" technology, air-launched cruise missiles, and so forth.

In Congress quite recently, when they were setting out their plans to develop the U.S. Armed Forces in Fiscal 1992-1993, Pentagon leaders noted that the basis for U.S. military development in the nineties should be reliance on strength and nuclear deterrence, retaining a sufficient quantity of forward-based forces and resources, and maintaining the ability of the American Armed Forces to have a rapid and effective influence on conflicts and crises that arise in the world. These principles are to find their practical embodiment in a further deepening and development of military cooperation with the principal U.S. allies, participation in the process of limiting and cutting back various types of weapons on terms favorable to Washington, and also building up all the components of their military potential.

In order to pursue the aims it has put forward, the Pentagon has asked for huge appropriations: a figure in the order of $295.3 billion in Fiscal 1992. The achievement of these aims is also encouraging the militarization of U.S. science. Thus the proportion of military developments in the total amount of state appropriations for scientific research and experimental design work has risen from 50 percent in 1980 to almost 70 percent at the present time.

So there is evidence of the continuing militarization of the United States. The "instinct to find a military solution" to problems is typical of the United States, and we must assume that it will grow. The euphoria of the easy victory over Iraq turned some people's heads. This could lead to dangerous consequences.

There can be no doubt that with the further buildup of its military might the United States will lay increasingly categorical claims to the role of sole leader in the new world order, thus determining as it sees fit the nature of the behavior of various countries and their political leadership in any region of the world. In its entire history the United States has not once shown that the range of its

national interests has a global character. The fact that states against which the United States has used military force not only share no common borders with it but are also located many thousands of kilometers away has no particular significance for the United States.

In these conditions the views of certain political and public figures in our country who number themselves among democrats cannot help causing bewilderment when they make categorical claims that there is no external danger to the USSR. This may be the result of a lack of information, or it may be deliberate—because some of their aims have been achieved, these figures depict the present as an era of worldwide peace that is actually here already, and they are foisting on the public the idea that the USSR Armed Forces are already redundant and are just a heavy burden on our country and its economy. It is clear to any sensible person that this approach could lead to a significant weakening of our international positions and a diminution of the Soviet Union's potential to exert a direct influence on the development of world processes.

The complexity of the present international situation, which generates conditions in which Western countries are continuing to pursue a foreign policy course that relies on military strength, and the existence in the world of unsolved interstate conflicts and hotbeds of various military conflicts unfortunately do not allow us to conclude at the present time that the positive changes are irreversible or to claim that the military danger to the Soviet Union has been eliminated. In providing a reliable defense capability for our state, we do not have the right to ignore this fact.

We too favor order in the world, but not the sort of order which is guaranteed at the price of deliberate annihilation of the peaceful population, the economy, and states' historical and cultural treasures. We favor a new world order that suits the fundamental and vital interests of all peoples.

NATO Exercise Indicates 'Offensive' Views

PM2106145991 Moscow KRASNAYA ZVEZDA in Russian 19 Jun 91 First Edition p 5

[Report by Colonel P. Goncharov: "'Central Enterprise-91'"]

[Text] The NATO exercise codenamed "Central Enterprise-91" was conducted on the territory of the FRG, Belgium, the Netherlands, and France during the period from 10 through 14 June. The exercise involved the commands and headquarters of coalition and national air forces in the Central European theater of hostilities, the headquarters of the second and fourth joint tactical air force commands, forces and facilities of the Central Zone of the joint air defense system, and NATO's early warning and air force control command. A total of 500 combat aircraft from the U.S., British, FRG, Belgian, Netherlands, Canadian, and French Air Forces were involved, along with around 100 air defense guided missile batteries, including "Patriot" air defense missile systems, which showed themselves to be pretty effective at destroying operational-tactical missiles during the Persian Gulf conflict.

"Central Enterprise" is the NATO joint air forces' biggest exercise in the Central European Theater. It has been held annually since 1982. It usually involves a rehearsal of switching air force units and subunits and air defense forces and facilities stationed in the Central European theater from a peacetime to a war footing and a run through and refinement of plans for waging defensive and offensive air operations in the initial period of a war in Europe. All matters relating to combat are rehearsed, using conventional means of destruction, as a rule. However, means of nuclear attack are kept in a high state of combat readiness.

Attention was focused on all these things during the latest exercise, which was conducted in two stages. In the first stage they rehearsed the switching of forces and facilities from a peacetime to a war footing, mainly practicing defensive air operations and the organization of the air defense forces' task of combating low-flying aerial targets. At the second stage they rehearsed elements of an offensive air operation with massive strikes by forces of the second and fourth joint tactical air force commands. Tactical air force aircraft simulated the penetration of enemy air defenses by means of low flying and target designation by NATO E-3A AWACS aircraft.

The features of the "Central Enterprise-91" exercise indicate that questions connected with offensive air operations in the Central European theater remain central to NATO's views.

During the exercise extensive use was made of computers, which considerably reduced material expenditure on the actual transfer of U.S. aircraft to Europe. Concentrated strikes by large groups of aircraft (as many as 40 aircraft) on specific targets from different directions were a new feature of the tactical air force actions.

The "Central Enterprise-91" exercise is one of the main measures of the operational and combat training of the NATO joint air forces in the Central European theater, geared to ensuring the comprehensive and higher-quality preparation of the bloc's air forces and air defense forces and facilities for a possible war.

UN Chief Reports on Chernobyl Clean-Up

LD2406221491 Moscow TASS in English 2121 GMT 24 Jun 91

[By TASS correspondent Nikolay Maslov]

[Text] United Nations June 24 TASS—A report by United Nations Secretary-General Javier Perez de Cuellar to the 46th session of the U.N. General Assembly on international cooperation in mitigating and overcoming the aftermath of the Chernobyl accident has been circulated at the U.N. Headquarters.

The Chernobyl nuclear power station accident is unique due to the fact that despite the long period of time that has passed since, its consequences are still unclear and will not be fully ascertained for many years to come, the report points out. The Chernobyl accident is of international character not only because its ruinous consequences are felt outside national borders but also by virtue of the fact that countries around the world are yet to assimilate important lessons arising from the accident aftermath.

The report reflects large-scale measures taken by Soviet authorities to reduce to the minimum the accident consequences. At the same time, it is pointed out that international, intergovernmental and nongovernmental organisations as well as private-sector institutions and individuals have begun to play an important role in rendering the necessary assistance and taking various experts-suggested measures.

Effective efforts to ensure international help are being made by the inter-agency target-oriented working group set up to stimulate and monitor U.N. activities in this respect.

Special attention in the report is drawn to the results of the mission of the U.N. coordinator for international cooperation in areas effected by the Chernobyl accident.

The coordinator, appointed by the U.N. secretary-general, was sent to the Soviet Union on a fact-finding mission. Due to it, many uncertainties, from the scientific point of view, concerning the Chernobyl problem have become evident.

The state of affairs in this respect is aggravated by the hard economic situation and other local factors. Manifest now are the deplorable position of many victims of the accident and the serious stress they experience owing to anxiety about the state of their health and by virtue of other less felt but still important factors.

On the initiative of the U.N. coordinator, all the sides concerned adopted the concept of a "master plan" to meet Soviet requirements for assistance and the resultant idea of a coordinated and agreed upon approach that would take into account all affected republics' requirements for help.

The U.N. chief's report expresses" hope that potential donors—governments, nongovernmental organisations, institutions, the private sector and individuals—will give practical and financial support to the realisation of the master plan.

This document, which sets out specific proposals to meet extraordinary humanitarian needs, is to be submitted to the donor countries' meeting, to be held in New York on September 20 under the chairmanship of the U.N. secretary-general.

Chief Delegate Previews Salmon Fisheries Talks

LD2506023291 Moscow TASS in English 2058 GMT 24 Jun 91

[By TASS correspondent Viktor Yevseyev]

[Text] Moscow June 24 TASS—It will be possible to double the catch of salmon in the northern Pacific in the near future and bring it up to one million tonnes a year, Vyacheslav Zilanov, leader of a Soviet delegation and deputy minister of fisheries, told TASS before departure by air for the U.S. capital.

With this end in view, it is essential for the littoral countries of the region—the Soviet Union, Japan, the United States, and Canada—to switch salmon fisheries over to a rational, mutually coordinated basis. How this should be done will be decided upon by representatives of the four countries at a conference to be held in Washington on June 27-27, Zilanov said.

"We believe that salmon fisheries outside the 200-mile zones should be banned. Within the zones, salmon fisheries should be conducted within the 50-mile coastal strip by the country, in the rivers of which salmon was spawned.

"We are for international cooperation in the reproduction of salmon and come out against fishery techniques which do damage not only to salmon but also to other marine creatures," Zilanov said.

The Soviet Union, he emphasised, is interested in establishing zones of trust in the northern Pacific and in working out such measures that would fully rule out poaching that has been unrestrainedly gaining in scope in recent years.

The adoption of a convention by participants in the Washington conference—which will record the stands and approaches of the four littoral countries to the problem of preserving salmon and decide on measures to verify compliance with convention provisions—would be of benefit to all the interested countries of the region, Zilanov said.

"As far as the Soviet Union is concerned, calculations show that when salmon sea fisheries outside the 200-mile zones are discontinued we shall be able to double our catch in the Far East within three to four years.

"Japanese fishermen also engaged in salmon fishery operations in the region by an arrangement with us. An analysis of their fishery operations has shown that they do a considerable damage to salmon stocks in the rivers of the Soviet Union.

"Therefore the Soviet Government, guided by scientists' recommendations, has recognised it necessary to stop issuing permissions to Japanese boats to catch salmon in the Soviet Far Eastern waters from 1992," Zilanov said.

Petrovskiy Previews 'Human Dimension' Conference

LD2306094691 Moscow TASS in English 0937 GMT 23 Jun 91

[By TASS correspondent Mikhail Voronenkov]

[Text] Berlin June 23 TASS—Soviet Deputy Foreign Minister Vladimir Petrovskiy told reporters here about preparations for the Moscow meeting of the conference on the human dimension, scheduled for September 10 to October 4 in the Soviet capital.

The forthcoming meeting is a major milestone in the Helsinki process that will help develop uniform human rights standards within the conference on security and cooperation in Europe, Petrovskiy said.

"We hope the Moscow meeting will make a tangible contribution to improving the mechanism of the human dimension. In our preparatory work for the meeting, we are guided by glasnost and openness that characterised two previous meetings in Paris and Copenhagen," he said.

The Soviet leadership attaches great importance to the meeting's success. "We stress with satisfaction that other member-states also attach considerable importance to the Moscow forum," he said.

The meeting will be held in the House of Unions in downtown Moscow. Reporters covering it will use facilities at the Soviet Foreign Ministry Press Centre. Journalists will be accredited in accordance with standards developed in Paris and Copenhagen.

The executive secretariat of the Moscow meeting will set up a public relations service. Representatives of non-government and religious organisations and private individuals will have access to the House of Unions and will be able to meet delegates and reporters.

United States & Canada

Follow-Up on Yeltsin Visit to U.S.

Yeltsin Comments

PM2406120591 Moscow IZVESTIYA in Russian 24 Jun 91 Union Edition p 1

[RIA report: "Boris Yeltsin: U.S. Visit Successful"]

[Text] "Successful beyond my expectations" was how Boris Yeltsin, president of Russia, described his four-day visit to the United States when talking with journalists by the aircraft steps on his return from America on 22 June. In his words, this is "another major boost to Russian sovereignty," RIA reports. Yeltsin called the conversations with President Bush, members of Congress, and representatives of U.S. business circles key elements of his trip. Yeltsin noted in particular that he was received as a head of state. "This is a tribute to the Russian people, who voted for me on 12 June," he said.

Commentary on Yeltsin's Impact on U.S. Ties

PM2506162191 Moscow IZVESTIYA in Russian 19 Jun 91 Moscow Evening Edition p 5

[Article by Stanislav Kondrashov under the "Political Observer's Opinion" rubric: "At the Crossroads of Three Epochs"]

In mid-July Mikhail Gorbachev flies to London for his meeting with the "Group of Seven"... George Bush may be in Moscow on an official visit at the end of July... Now Boris Yeltsin's trip to Washington has, so to speak, burst into this timetable of extremely important summer events, a trip that is also extremely important, in terms of not so much its practical as its symbolic significance since it is the first foreign trip made by the first president of Russia before being sworn in, and moreover it is a trip to the most important foreign country. It is too early to speak of its concrete results, but it is a convenient opportunity to discuss some general matters.

On the day before his departure overseas Yeltsin took part in another meeting at Novo-Ogarevo which brought the conclusion of the extremely overdue Union Treaty closer. Whatever form the treaty takes, it is clear that a new era is dawning in the sphere of foreign policy. As in internal affairs, the undivided power of the center and union structures is ending here.

Russia is already testing its voice abroad. With the election of Russian President Boris Yeltsin these tests are becoming increasingly frequent and persistent and the voice is getting stronger. The question of dividing the sphere of the foreign policy and foreign economic competence of the Union and the sovereign republics and of the Union and Russia is being raised with a new degree of urgency. Without coordinated actions based on a clear division, the effectiveness of foreign policy, already weakened by extreme political and economic instability in the country, will be sharply reduced. It may be fully affected by the processes of collapse which are raging in other areas of state activity. Besides agreement at the top, there is a need for a high degree of professionalism among diplomats and other practical executants of policy and—this is exceptionally important—a state of civil peace in society with regard to questions of foreign policy. This should be a common policy, not torn between competing camps, neither "partyocratic" nor "democratic." It is appropriate to remind readers once more of the indisputable American tradition (and not just American): For citizens of their homeland, for patriots, foreign policy differences stop "at the seashore," that is, as soon as you go out into the outside world.

The matter of dividing areas of competence must be tackled in earnest and without delay in order to minimize losses. It requires the center and the union leadership to practically recognize the sharply changing situation and it requires a desire for sensible compromise and a sense of proportion from both sides. Compromise should be defined as understanding of the fact that coordination of foreign policy provides the necessary strength from which the Union benefits both as a whole and in its constituent parts. An absence of unity (on a new voluntary basis) is an invitation to other states participating in international life to exploit our differences, as a manifestation of our weakness, to their own advantage and to the detriment of our interests. Agreed, the world is not without good people, but reasonable force is respected (and unreasonable force is feared).

President Bush welcomed Boris Yeltsin's victory as evidence of "democracy on the march" in Russia and the Soviet Union. He said: "I know personally that this is good for everyone in the Soviet Union, as well as for the man who began the reform, President Gorbachev."

There are no grounds for doubting the sincerity of these words. But they do not, of course, reveal all the "levels" in the thinking of the U.S. President and his closest staffers. It is not so difficult to guess what may be happening on the invisible levels. Let us resort to the assistance of NBC's White House correspondent D. Cochran. This is how he deciphers what Bush said: "Whether or not Gorbachev is enthusiastic about Yeltsin's victory, it is simpler for Bush to say in public that they are both advocates of reform rather than rivals. Bush may suspect that Yeltsin is the man of the future, but right now Gorbachev remains the principal figure, the man Bush has to do business with over important problems like arms control."

"Of course," Cochran continues, "the White Houses believes that a dilemma arises if Yeltsin, for example, proposes an action program to us that differs from Gorbachev's. It is then that problems will start for the administration. Bush does not want to humiliate Gorbachev or make an enemy of him. But he wants the strength to weaken Gorbachev and force him to accept American terms for concluding a strategic offensive

weapons treaty. Until Gorbachev agrees to this, Bush will not say 'yes' to a trip to Moscow."

This is the language of realpolitik, not diplomatic ethics. Washington is starting to pursue a "dual policy" (or policy on two levels) in relation to the Soviet Union, which means doing business not just with the Union but also with the republics. In the opinion of some observers, the logical continuation of this policy in practice may be a "dual stake"—on Gorbachev and Yeltsin. The "dual stake" takes into account the existence of two centers of power in Moscow and is not averse to exploiting differences between them if these come to light. NBC's Cochran notes the temptation that may arise for Bush: By being attentive to Yeltsin he can put pressure on Gorbachev over the question of the strategic offensive weapons treaty. This is precisely how to act in the world of realpolitik.

Will the Russian president join in this kind of game? In order to provide a fair answer to this question, it seems we must ask another: Is he aware of the details of Soviet positions in the current final stage in drawing up the long-drawn-out treaty? If he is aware of them, does he find them entirely suitable or does he think that in return for certain gestures by Washington to Moscow new concessions could be made to the Americans in addition to those that Gorbachev has already made? He made these, in particular, as a result of the overall weakening of the USSR's international positions.

These partial questions indicate precisely the general problem that I touched on earlier: the need to formulate a single foreign policy in order to safeguard the overall state interest before the surrounding world. Quite apart from the strategic offensive weapons treaty, a position coordinated with the republics that obviates the need to look over one's shoulder is extremely necessary on the eve of Gorbachev's upcoming trip to London. In the first instance we are talking about a military-strategic interest, and in the second instance about a strategy of economic cooperation with the "Big Seven" on which to a certain extent the speed and soundness of our transfer to a mixed economy depend.

And so this summer we can say that the beginnings and ends of three whole epochs have converged. In London Gorbachev hopes to open an era of new relations between the USSR and the West, the centerpiece of which will be active economic cooperation. In Moscow, having concluded the strategic offensive weapons treaty, Bush would like to say farewell to the bad old years in which the terrors of the Cold War prevailed and the principal positive note in relations between the two powers was attempts to control the arms race. And finally, the election of Yeltsin to the Russian presidency and the future signing of the Union Treaty open up yet another era—a new way of conducting foreign policy in the USSR.

Graham Allison Travels to Moscow

OW2606020691 Moscow INTERFAX in English 1830 GMT 25 Jun 91

[Following item transmitted via KYODO]

[Text] Thursday morning brought a meeting of Soviet President Gorbachev and the authors of the "Window of Opportunity" programme - the American economist Graham Allison and his Soviet colleague Grigoriy Yavlinskiy. Also taking part was Academician Yevgeniy Primakov. The discussion touched upon the underlying principles of the programme and Mr. Gorbachev's forthcoming visit to London.

This meeting is the second Mr. Yavlinskiy has had with the Soviet President in the space of a few days. On Saturday, June 22, they had discussed continued participation of Mr. Yavlinskiy, a well-known Soviet economist, in the drawing up of documents for the Soviet economic reform effort.

On Monday, June 24, both Mr. Yavlinskiy and Mr. Allison had attended a meeting of the G-7 countries' ambasadors in Great Britain's embassy in Moscow.

It has become known that Mr. Yavlinskiy is expected next week to make a tour of four European G-7 countries - Great Britain, France, the FRG and Italy - as a private person. He will probably also visit the headquarters of the Commission of European Communities in Brussels.

On Tuesday afternoon Mr. Yavlinskiy took part in the First All-Union Conference on the Promotion of Entrepreneurship held in Moscow. The conference brought together about 150 heads of associations of entrepreneurs and economists from 15 republics.

In his address, Mr. Yavlinskiy emphasized that the "Window of Oportunity" plan was an atempt at elaborating a framework of economic and political development for the country as a whole. It is designed to be implemented over a period of 5 years and is broken down into 6-month-long stages, for each of which the plan gives a detailed schedule of economic and political reforms in the Soviet Union and coordinated actions on the part of the West.

Speaking about the prospects for receiving financial assistance from abroad, Grigoriy Yavlinskiy said that the programme had in effect four sources of finance—the International Monetary Fund, the International Bank for Reconstruction and Development, the European Bank for Reconstruction and Development, and the governments of Western countries. All assistance they granted would have to be used for the development of a real market infrastructure in the Soviet Union. At the very outset the amounts of assistance would be small so as to lay the necessary groundwork. Then, "if the amount of assistance were plotted on a diagram, would come the peak after which assistance would decrease towards the end of the five-year period". After this, government-allocated assistance would virtually come to an end and

private investors would take over. According to this scenario, a massive inflow of western goods would take place at the initial stage only.

Mr. Yavlinskiy emphasized that this programme had nothing to do with charity. The West will provide funds only it there is absolute certainty in an effective functioning of those Soviet structures which will receive the money. Another important thing is that the funds granted will have to be repaid. With the aim of insuring that this idea is implemented exactly as it was conceived, a special mechanism of channelling the assistance will be put in place. In particular, specialised assistance funds will be created to deal with conversion, ecology, employment, protection of the disabled, etc. The Soviet government will have no right to use the money given to these funds. Only those organisations and enterprises will get the money which will be able to prove they are going to spend it for "the right purposes."

Eagleburger Cited on Need for Nuclear Deterrent

LD2606090391 Moscow TASS in English 0805 GMT 26 Jun 91

[by correspondent Vladimir Matyash]

[Text]Washington June 26 TASS—NATO "has all but completed a markable exercise of self-examination and adjustment to the dramatically changed European security environment", Deputy Secretary of State Lawrence Eagleburger told a two-day meeting of the alliance's European group.

"In my view the future of NATO will depend largely on our ability to meet three principal challenges, two of which are strictly political in nature," he said.

First the challenge of convincing the public that continued material sacrifices to keep the alliance capable militarily are necessary, he said.

Second, the challenge of managing U.S.-European relations both within the alliance and outside of it, he said.

And third, the challenge of responding effectively to a range of contingencies which could possibly threaten peace and security in Europe, he said.

He called for "the permanent stationing of American forces on the continent under the NATO aegis".

Commenting on "uncertainties" in Soviet development, Eagleburger said: "while the threat of a surprise land invasion has waned, the reality of the Soviet power potential remains unchanged. As long as the Soviet Union retains the power to intimidate or destroy its neighbours with nuclear weapons, that power will have to be deterred."

"We are not talking here about intentions, but about capabilities. As for intentions, they are currently good. And we have very reason to hope that the Soviet people will succeed in their quest for democracy and a market economy and to help them in whatever way we can," he said.

Commentary on U.S. Paper's Anti-Soviet Bias

PM2506152991 Moscow KRASNAYA ZVEZDA in Russian 22 Jun 91 First Edition p 5

[S. Sergeyev "Rejoinder": "What Is Bugging THE WASHINGTON TIMES"]

[Text] THE WASHINGTON TIMES, which is known for sometimes making the most unexpected statements, recently came out with another original thesis. Apparently the "Soviets have increased the number of anti-American pieces in the press" of late. The article's author even cites as examples items from the Gulf War period to the effect that the bombing of Iraqi cities by U.S. aircraft had caused damage to hospitals, schools, and museums.

It looks like Washington is keeping a close eye on the Soviet press. This might even be gratifying and flattering, were it not for the fact that they were bent on exercising a controlling function. After all, it is a short step from that to actual instructions about what to write and how to do it.

Of course, one can agree with THE WASHINGTON TIMES in a sense. Some pieces in the Soviet press do deserve criticism. No journalist is entirely immune to subjectivism, indeed he need not be in a society that has declared glasnost to be one of its fundamental principles. Anyone is free to express his own view. Incidentally, was it not Americans first and foremost, including the writers on THE WASHINGTON TIMES, who kept telling us that this is freedom of expression?

Remember those not so distant days when Washington officials responded to any question from us about anti-Soviet items in the U.S. press with a mini-lecture about freedom of the press in the United States and about how difficult it was for the administration to secure objective coverage of Soviet-American relations by the media. Our questions were described as "the ultimate in tactless naivety." Obviously, the time has come to return the compliment to the Americans, if our "freedom of the press" has surpassed theirs. So what is bugging THE WASHINGTON TIMES?

Bessmertnykh Confirms July Summit Date

OW2406112891 Moscow INTERFAX in English 1230 GMT 22 Jun 91

[Following item transmitted via KYODO]

[Text] The Soviet Foreign Minister Aleksandr Bessmertnykh has confirmed that the next Soviet-American summit is due to take place in Moscow late in July, and that "there are all the necessary prerequisites for it now".

After the end of the CSCE conference in Berlin, Mr. Bessmertnykh told journalists he had a message from President Bush to hand over to President Gorbachev. He declined to disclose the message's contents before it was read by the recipient.

While in Berlin, the Soviet minister had an unplanned working meeting with U.S. Secretary of State James Baker. According to IF's [INTERFAX] sources, the meeting took place on the closing day of Bessmertnykh's stay in the German capital at the initiative of Mr. Baker.

Commenting on it to journalists, the USSR Foreign Minister said "our major task today is to complete the strategic arms treaty as soon as possible".

Northeast Asia

Japanese Dietmen Meet Yanayev, Gorbachev

Yanayev Discusses G-7

OW2606081391 Tokyo KYODO in English 0753 GMT 26 Jun 91

[Text] Moscow, June 25 KYODO—Soviet President Mikhail Gorbachev will make detailed requests for economic aid in four fields from the leaders of major industrialized nations when he meets them in London next month, Soviet Vice President Gennadiy Yanayev said Tuesday.

But Gorbachev will not beg for money from the leaders of the seven countries when he meets them at the end of their annual economic summit, Yanayev told a mission of the Japan-Soviet parliamentarians' friendship union, mission sources said.

Instead, according to the sources, the Soviet leader will spell out plans for what Yanayev called economic cooperation in four areas—converting the military industry to civilian uses, improving transportation, communication and information, developing energy resources, and improving the processing of farm products.

Gorbachev has been invited to address the heads of the seven nations—Britain, Canada, France, Germany, Italy, Japan, and the United States—immediately after their summit talks end.

The Soviet leader will also explain his plans for such policies as his "perestroyka" economic restructuring and moves toward a market-oriented economy in the Soviet Union, Yanayev reportedly said.

Meanwhile, Soviet presidential spokesman Vitaliy Ignatenko on Tuesday criticized Japan's policy of linking financial aid to the Soviet Union to a territorial dispute between the two nations. Japan insists that the Soviet Union return a group of islands it seized at the end of World War II.

Ignatenko told reporters in Moscow that if Japan participates in the summit while sticking to such a policy, it will be regarded as egoism by the international coummunity.

Meeting With Gorbachev

LD2506175991 Moscow TASS International Service in Russian 1717 GMT 25 Jun 91

[Text] Moscow, 25 June (TASS)—Mikhail Gorbachev and Vice President Gennadiy Yanayev today received in the Kremlin a delegation from the association of Japanese parliamentarians of the Liberal Democratic Party [LDP], led by Keijiro Murata.

The president shared his assessments of the situation within the country and the moods in society on the eve of major decisions on radicalizing economic reform and forming a federal union. He spoke about the particular features of the moment, which require in-depth mutual understanding and interaction with the USSR within the framework of the world economy and politics: The civilized transition of the world community from the contradictions of the 20th century to a new age depends on this.

Those present were unanimous that the USSR president's visit to Japan had brought both countries closer to a breakthrough into new relations that both they themselves and the world at large need. The president informed the parliamentarians about his decree giving instructions on implementing the initiatives and agreements achieved during the visit. Gennadiy Yanayev continued the conversation, touching on many topical issues in international and domestic politics at the present stage. Concrete aspects of the development of Soviet-Japanese relations through state and public channels were discussed. Long-term fields of business cooperation, in enriching which the association of LDP parliamentarians can play a large, initiating part, were identified.

Article Views DPRK Nuclear Potential

PM2506154891 Moscow MOSCOW NEWS in English No. 22, 2-9 Jun 91 p 13

[Article by Igor Vladov: "Pyongyang: Outlook for the Nuclear Bomb"]

[Text] North Korea refuses to sign an agreement with the International Atomic Energy Agency putting the whole of its nuclear activities under control.

Let's recall the crux of the matter. In 1985 the DPRK joined the Treaty on the Non-Proliferation of Nuclear Weapons and, as a party to this treaty, was duty bound to sign a pertinent agreement with the IAEA within 18 months. However, such a document has not been signed to this day.

North Korea's arguments on this score as as follows: If the USA gives guarantees it will not use nuclear weapons

against the DPRK, the latter will be prepared to sign the agreement the following day. But what has the USA to do with this? The agreement, after all, must be concluded between the DPRK and the IAEA, not between the DPRK and the USA. Incidentally, as early as 1978 the USA announced that it would not use nuclear weapons against non-nuclear states which joined the Non-Proliferation Treaty.

The next argument used by the North Koreans: if the USA withdraws its nuclear facilities from South Korea and makes a declaration that it will not use nuclear weapons agaisnt the DPRK, Pyongyang will immediately solve all questions relating to the monitoring agreement. In general North Korea's concern over the existence of American nuclear arms in the south of the peninsula is understandable. These apprehensions must be eliminated in the process of the DPRK-USA dialogue. But why does Pyongyang tie in two absolutely unconnected problems?: The answer, it has become clear, lies in a different sphere.

The Soviet and foreign press occasionally feature reports to the effect that the USSR has continued to assist North Korea in its concontrollable nuclear programme. This is not quite so. As early as the 1960s a nuclear reactor was built with the Soviet Union's assistance, but this reactor is controlled by the IAEA. According to American as well as French and Japanese data, the North Koreans have built a second nuclear reactor (moreover, all on their own) in the vicinity of Yongbyon, 90 km to the northeast of Pyongyan, as well as an installation for the production of fuel for this reactor. It is this facility that is outside the IAEA's control. Experts in the USA, Japan and South Korea have concluded that Pyongyang has been persistently working on the development of its own nuclear weapons. Moreover, foreign analysts have even fixed the deadlines- the North Koreans will be capable of developing a nuclear device by the mid-1990s.

Seoul has repeatedly voiced apprehensions over the DPRK's policy in the nuclear field. In South Korea there are even calls to resume the nuclear weapon development programme halted in the late 1970s under strong pressure from the Americans.

Quite recently the South Korean Minister of Defense, Yi Chong-Ku, spoke about the possibility of using commandos to deliver a strike on the DPRK's nuclear facilities. The response both on South Korea itself and in neighboring countries was so sharp that Seoul officials had to diavow their colleagues's rash statement, calling it an "accidential slip of the tongue."

The already strained situation on the Korean peninsula is becoming really dangerous. The slide toward the nuclear abyss may become uncontrollable. Mere calls addressed to Pyongyan, urging it to expedite the conclusion of an agreement with the IAEA, may not be enough. There is a need for serious diplomatic action to tame North Korea's nuclear ambitions. It is primarily the USSR and China-the DPRK's allies-that must, and not merely must, but are duty bound to use their prestige and leverage to impel Pyongyang onto the path of reason.

Near East & South Asia

Bessmertnykh, PLO Official Hold Moscow Talks

LD2506172591 Moscow TASS International Service in Russian 1647 GMT 25 Jun 91

[Text] Moscow 25 June (TASS)—Aleksandr Bessemertnykh, minster of foreign affairs of the USSR, today received Muhammad Abbas (Abu Mazin), member of the PLO Executive Committee. He is in Moscow for a routine session of the Soviet-Palestine working committee.

During the meeting there was an in-depth exchange of opinions on getting the peace process in the Middle East off the ground.

A. Bessmertnykh informed the representatives of the Palestinian leadership of the steps taken by Soviet diplomacy to prepare for the convention of a peace conference on the Middle East. The importance of making maximum use of all the favorable international and regional foctors to ensure a real movement toward peace at this crucial phase was stressed.

M. Abbas stated that the PLO was counting on the current stage of international political activity on an Arab-Israeli settlement leading to a real improvement in implementing the national rights of the Palestinian people, and from that point of view, positively regards the constructive efforts made by the Soviet Union in cooperation with other parties, including the United States.

Iraq Rapid Reaction Force 'Dangerous Precedent'

LD2506151391 Moscow Radio Moscow World Service in English 1210 GMT 25 Jun 91

[Text] Representatives of the allied countries that are giving relief aid to refugees in Iraq and on its borders are now discussing a plan to set up a multinational rapid reaction force in the region. This has been disclosed by the White House press secretary, Mr. Marlin Fitzwater. How well justified is the appearance of such a force there? Here is an opinion from our commentator Yuriy Solton:

At first glance, the idea seems useful and even noble. The need to form a rapid reaction force is explained by the disturbing situation in the north of Iraq and by a desire to help the UN army servicemen going there in ensuring the security of the Kurdish population. So far such details are being coordinated as the strength of this special force, its composition and the representation of each allied country and the concrete tasks of the force.

But a number of questions already appear. The main one is how all this will match standards of international law. The rapid reaction force is to be stationed either in

Turkey, on the border with Iraq, or directly on Iraqi territory. It is clear that no one is going to ask for the permission of Baghdad, and I may remind you that Iraq has agreed to the arrival of a UN military unit. Talks are being held between representatives of the Kurds and the Iraqi leaders about setting up a Kurdish autonomous region in the north of the country, and I think, writes Yuriy Solton, that stability there will be hardly enhanced by the appearance of a multinational rapid reaction force that would act at its own discretion.

A White House spokesman has officially denied that there is any connection between the plan to form a rapid reaction force and the intention of the United States to press for the departure of Saddam Husayn from the political scene. This may be true, but I have no doubt that the appearance of a multinational rapid reaction force in Iraq without its consent would create a dangerous precedent and would amount to interference in the internal affairs of a sovereign state.

Radio Views Rumors of Arms Sale to Israel

LD2506154291 Moscow Radio Moscow World Service in English 1210 GMT 25 Jun 91

[Text] A spokesman for the Foreign Affairs Ministry of the USSR has refuted reports circulated in certain mass media lately about the Soviet Union's readiness to sell a consignment of interceptor jet fighters of the Mig-31 class to Israel. The aircraft of the class was displayed at the international air show, Le Bourget '91, in France. Aleksandr Pogodin has this comment, and this is what he writes:

One could say, of course, that one more information error was made and be done with it. But it would be wrong, I think, to blame inaccurate information for all this. A week ago reports appeared in the media saying that the Soviet Union intended to deliver to Israel anti-missile systems meant to be used at low altitudes. For the nature of their use in combat operations these systems are similar actually to the American anti-missile system of the Patriot class, which earned a good reputation during the Gulf war. Experts claim that the Soviet system even surpasses the Patriot system for some technical characteristics. When the Soviet Union put this system on display at the Le Bourget air show it intended to demonstrate the opportunities of the Soviet industry rather than to trade it. Reports about possible deliveries of that system to Israel were immediately refuted. After such refutations the authors of sensational reports should have quietened down, but this didn't happen. Hence speculations about possible sales of Mig-31's to Israel.

So what we deal with is not a chance information mistake but the desire to cast a shadow on the Soviet Union's policy to deliberately distort Moscow's stand on weapons supplies to the Middle East. The principle of maximum restraint proclaimed by the Soviet Union, the call for reaching an agreement with other countries on reducing exports of weapons to the Middle East remains fully in force. There are some who try to pose the Soviet Union's stand in a false light in order to justify more deliveries of weapons to the region planned by some countries, the United States above all. And maybe there is the intention to sow distrust in relations between the Soviet Union and the Arab states by spreading rumors about the Soviet Union's alleged plans to sell weapons to Israel. There may exist other variants of such rumors, but they all look so unseemly, concludes Aleksandr Pogodin.

Musatov Comments on Israel Visit

OW2606082591 Moscow INTERFAX in English 1530 GMT 25 Jun 91

["Diplomatic Panorama" report by diplomatic correspondent Igor Porshnev; following item transmitted via KYODO]

[Text] A delegation of the Soviet Communist Party led by the 1st Deputy Head of the International Department of the Central Committee Valeriy Musatov visited Israel from June 14 to 21 at the invitation of the United Workers' Party (MAPAM). That was the first such visit to Israel at the invitation not of the communist, but a left-wing Socialist party—as Valeriy Musatov explained to our DP [Diplomatic Panorama] corresponent. Some contacts between the CPSU and Israeli Socialists had existed even before, in the framework of the Social International, for instance, but they were of an unofficial character.

According to V. Musatov, the principal aim of the recent visit was to establish links with Israel's left wing parties and to agree on certain forms of coopeation. The CPSU delegation met with the Chairman of the MAPAM Granot, with the Knesset deputies from that party, also visited the MAPAM centre for studies on the problems of socialism and Arab-Israeli interaction. Besides, said V. Musatov, the delegation met with the leadershipo of another and larger socialist party of Israel—the Labour Party.

The CPSU delegation called at Tel Aviv University, Hebrew University in Jerusalem, and the International Peace Centre in the Middle East. "Everywhere", said V. Musatov, "we saw readiness for contacts with Soviet research centres. It's good that such contacts exist and, hopefully, will develop".

Valeriy Musatov told us that when they visited kibutzes, members of the delegation pointed out that the Soviet Union had assisted the formation of the Israeli state. People in Israel remember the fact with appreciation.

Great interest is shown in Israel, went on V. Musatov, in developing economic cooperation with the Soviet Union. They would like to set up effectively working joint Soviet-Israeli business ventures with the participation of Western companies in agriculture, transport,

irrigation and environment protection... "Everybody thinks there that there's a good basis for it", stresed V. Musatov.

He also mentioned that many people in Israel raised the question of restorign full-scale Soviet-Israeli diplomatic relations. Some of them see that as a mere formality, though, since the present level of links far exceeds the one of 1967. "To my mind, the process is in train, and eventually we will have full diplomatic relations," assured V. Musatov.

The prospects of settlement in the Middle East was also widely discussed in the course of the visit. "I had an impression," said V. Musavot, "that both Jews and Arabs in Israel begin to understand that they have to think of the future, that they can't live in contant tension, and therefore have to make up with their neighbours". Members of the delegation agreed that a chance for peace has come up now in the Middle East. And many people in Israel share that opinion. They welcome efforts by the Soviet Union and the United states in that direction.

We told the Israeli people about our readiness to develop relations with their country (there are good prospects for it), but that we would also like to keep our traditional ties with old friends, emphasized V. Musatov.

As to interparty contacts, an agreement was made during the visit on cooperation between the CPSU and the MAPAM Party. Their delegation is expected in Moscow next autumn. A delegation of the Israeli Communist Party is also to arrive, as well as of the Palestine Communists. A dialogue will continue with the Labour Party including the parliamentary line. "Through interparty contacts we will help the development of interstate relations", concluded V. Musatov.

East Europe

Signing of CSFR Withdrawal Protocol Reported

TASS Report

LD2506133691 Moscow TASS International Service in Russian 1205 GMT 25 Jun 91

[By correspondent Anatoliy Shapovalov]

[Text] Prague, 25 June (TASS)—A protocol on the completion of the withdrawal of Soviet troops from the territory of the Czech and Slovak Federal Republic was signed in Prague today. It was authenticated with the signatures of Lieutenant-General Rudolf Duchacek and Colonel-General Eduard Vorobyev, commander of the Central Group of troops, the authorized representatives of the governments of the CSFR and the USSR for ensuring the withdrawal of the troops.

The presence of all Soviet troops on the territory of Czechoslovakia comes to an end with the day of the signing of the present protocol, the document says. The sides recognize that the fulfilment of the obligations flowing from the intergovernmental agreement on the withdrawal of Soviet troops from the territory of the CSFR, concluded in February 1990, will promote the development of mutual relations between the two states.

Jiri Dienstbier, CSFR deputy prime minister and foreign minister; Lubos Dobrovsky, CSFR defense minister, and Boris Pankin, USSR ambassador in the CSFR, attended.

Vorobyev Interviewed

LD2506220991 Moscow Central Television First Program Network in Russian 1800 GMT 25 Jun 91

[Video report from Prague by correspondent S. Andreyev—from the "Vremya" newscast]

[Text] A protocol on the completion of the withdrawal of Soviet troops from CSFR territory was signed in Prague today.

[Andreyev] The document was signed by Army Colonel General Vorobyev and Lieutenant General Duchacek, the plenipotentaries of the governments of our countries. The measures which took place in the morning set the tone for all the meetings which took place today. The Soviet delegation was received by Aleksandr Dubcek, chairman of the country's Federal Assembly. The desire to build new relations between our countries was expressed during the meeting with Czechoslovak President Vaclav Havel.

[Vorobyev] I must point out two positive factors. The first is that not one of the Czechoslovak representatives, nobody from the Czechoslovak side, raised in an acute manner the question of 1968. The opinion was voiced that this should not be excluded from the history of the Czechoslovak people. I am very impressed by the fact that everyone expressed good hopes in connection with the future mutual relations between the Soviet Union and Czechoslovakia. I have a very good impression of all the meetings, and it seems to me that by the timely withdrawal of our troops from Czechoslovak territory we have accomplished a very big thing which is aimed toward the future of our peoples and the future of our generations—our children and our grandchildren, that's what I would say. [Video shows protocol being signed and interview with Vorobyev]

Yazov on Soviet Army in Prague, Domestic Scene

AU2506160991 Prague LIDOVE NOVINY in Czech 24 Jun 91 pp 1,3

[Interview with USSR Defense Minister Marshal Dmitriy Yazov by Jaromir Stetina; in Moscow on 21 June: "It Was Not an Invasion"—first paragraph is LIDOVE NOVINY introduction]

[Excerpts] Marshal Dmitriy Yazov was born in 1923. He has been a member of the CPSU since 1944. He has been in the Army since 1941. In 1979 he became commander of the Central Group of Soviet Forces in Czechoslovakia.

Since May 1987 he has been USSR defense minister. He granted an interview to LIDOVE NOVINY correspondent Jaromir Stetina on the day the last Soviet troop transport left Czechoslovakia. [passage omitted on August 1968 and on the Soviet presence in Czechoslovakia]

[Stetina] I often meet with Soviet Army officers here. Among them are some who say that the troop withdrawal [from Czechoslovakia] is incorrect. For example, Colonel Alksnis literally said to me: "You used to be afraid of us; now you are not afraid of us. This is not correct." Are there forces in the Soviet Army that would like to turn back the clock?

[Yazov] No. Alksnis does not represent the Soviet Army. Alksnis is a man who feels that he can say everything. He does not say this because he believes it, he says it because he wants to be original. No one else would say such a stupid thing. He said this because he was able to—he is a deputy. He does not agree with Gorbachev or anyone else—including Yazov—on any issue.

How could the Army turn back the clock? It would not have come in 1968 if it had not been invited. After all, Havel and the government are now trying to find out who invited the Army....

[Stetina] We would also like to know and find, for example, the letter of invitation.

[Yazov] I do not know anything about it. In 1968 I was in command of a division in the Transbaykal region. I found out about the troops' entry from the newspapers. Who invited whom is, I would say, your affair. You have to sort this out at home in Czechoslovakia.

These issues are intended to compromise the Soviet Armed Forces and to compromise the policy implemented by the Soviet Union at that time. What we are doing today, our current policy, is written about less. Why? After all, the main thing today is not that we came to your country in 1968, but that we left in 1991. Is this not the case?

[Stetina] Perhaps....

[Yazov] This is a result of the new political thinking. Havel, Gorbachev, and others did not believe that there would be a war tomorrow. They believed that it was unnecessary to have joint Armed Forces. What have the Americans done? Nothing. Even today NATO is a U.S. device for holding onto Europe.

The withdrawal of our troops does not at all mean breaking off contacts and mutual relations between fraternal peoples, including Armies.

[Stetina] Many Soviet newspapers write about forces in the Army that could cause a revolution. Do such forces exist?

[Yazov] If they are talking about a revolution, this would be a revolution against their own people. What is the Army? An element of the people. Would we revolt against our mother? Against our own government? I am a member of this government. A revolution against whom? Against Gorbachev? Why revolt against anyone? The deputies can get together and deprive him of his post if he was not up to it. Understand, we are in a situation today in which no revolution is necessary. It is possible to do everything by constitutional means.

[Stetina] You are a man who has spent his entire life in the Army. No one can answer questions about who controls the activity of the Special Purpose Military Detachments. Can such an unknown factor exist in a country organized along such strong military lines?

[Yazov] These detachments are not subordinate to the Armed Forces. These are Interior Ministry structures and are controlled by it. Not one of our soldiers was in Riga. The militia did all the firing there. So, turn to Comrade Pugo with this question.

[Stetina] The 4th and 7th Soviet Army units operate in Transcaucasia. Is the Soviet Army's position in this conflict still neutral?

[Yazov] They are there to keep the Azerbaijanis and Armenians apart so that they do not fight against each other. However, can we call this position neutral? Neutral means inert. We are in the middle of this conflict and it concerns us. For there to be as few conflicts as possible, it is necessary to disarm the armed groups that are there.

[Stetina] The Soviet press does not conceal the fact that the Army sympathizes with Azerbaijan in this dispute.

[Yazov] Armenians support this point of view. There are far more of them in Moscow, they are much better qualified, they occupy many leading posts, and it is to their advantage to spread this point of view. Are you accusing me of being on the side of the Azerbaijanis? I introduced a state of emergency in Baku, that is, in Azerbaijan, not in Armenia. No one can accuse me of being sympathetic toward one or the other side. However, I feel sorry for my troops. They do not have enough to eat, they do not get enough sleep, and they constantly find themselves caught between the frying pan and the fire. Why? This is my view: Let us finally sit around the negotiating table.

[Stetina] Why are the Interior Ministry forces not involved in this activity? Why is your Army involved?

[Yazov] Because the Interior Ministry forces are not enough for this. They are in many places throughout the country and there is simply too few of them.

[Stetina] Why are soldiers going into politics? For example, General Gromov and General Makashov took part in the presidential elections.

[Yazov] They kept the people tied down for so long and then said to them: Do what you want. Earlier there were certain limits, now there are none. People are asking: Can you be president? Why not? So they campaigned.

No one knew Makashov, and now everyone is talking about him. They also told Gromov to try it. He tried it and that is all. I personally do not see any political aims in this. Makashov came to me. He asked me for my opinion. I think he is just another citizen like all the others.

[Stetina] Allow me to make a small observation in conclusion. You are a very powerful man. Please do not let there be a war.

[Yazov] As long as I am here there will be no war. Do you believe in Marx?

[Stetina] No. I believe in my own common sense.

[Yazov] Remember: All wars in the world originate from the human desire to get rich. How old are you?

[Stetina] Forty eight.

[Yazov] I am 68. Have you noticed how quickly life passes?

Pugo, Kryuchkov Receive Hungarian Minister

LD2606021791 Budapest MTI in English 1642 GMT 25 Jun 91

[Text] Moscow, June 25 (MTI)—Hungarian Minister of Home Affairs Peter Boross signed a co-operation agreement with his Soviet counterpart Boris Pugo in Moscow on Tuesday.

Boross also held talks with KGB Chairman Vladimir Kryuchkov and Russian Minister of Internal Affairs Viktor Barannikov.

'The previous co-operation agreement signed in the 1970' no longer corresponded to the changed political and historical situation,' Boross said at a press briefing after the talks in Moscow. 'The new agreement, expressing a mutual readiness for co-operation, creates a framework in which the police forces of both countries can co-operate.'

According to Soviet Minister of Internal Affairs Boris Pugo, the new agreement is more democratic and objective than the previous one and takes historical changes into consideration.

On his talks conducted with Kryuchkov on Monday, Boross said that their views and opinions had been aired. He said the meeting had been of an informative nature.

In the course of the talks conducted in the Russian Ministry of Internal Affairs, the sides agreed that expert talks relating to the preparation of a co-operation agreement will be starting soon. The result of the expert talks, however, will largely depend on how the scopes of authority of the Soviet and the Russian ministries of internal affairs are separated.

'We give priority to the development of ties with the Soviet Ministry of Internal Affairs,' Boross stated.

Vorontsov on Troops' Ecological Damage

LD2506173591 Prague Ceskoslovensky Rozhlas Radio Network in Czech 2000 GMT 23 Jun 91

[Text] The Environment for Europe International Conference ended in Dobris today. Representatives of the Soviet Union and of some of its Union republics, including Nikolay Vorontsov, the Soviet minister responsible for the environment, also attended the conference. Miroslav Konvalina requested a brief interview with him:

[Begin recording] [Konvalina] Minister, since the dissolution of CEMA there no longer exists in Central and Eastern Europe an umbrella organization to deal with ecological problems. What is the future for international cooperation in the environmental sphere in the new Europe?

[Vorontsov in Russian fading into Czech translation] Despite the fact that CEMA has ceased its activity, we must not forget that very close working contacts between us, between experts of both countries do remain. I believe that in the framework of bilateral agreements between Czechoslovakia and the Soviet Union, or Slovakia and the Ukraine, for example, or the special agreement between Czechoslovakia, Poland, and the Soviet Union but also in the Danube convention, we can cooperate quite productively. We do have all the necessary prerequsites for it. For example, we are now ready to implement the idea of a three-sided protected zone in the Carpathian mountain range in northeast Slovakia, southeast Poland, and the Carpathian area of the Ukraine. This specific project can be implemented quite quickly without red tape obstacles, as an international nature reserve or a national park.

[Konvalina] Minister, can you see a solution to the ecological damage to the Czechoslovak territory left behind the withdrawing Soviet troops?

[Vorontsov in Russian fading into Czech translation] My view? I can tell you that I, just like many of my friends, was exasperated by the events of 1968. Among my friends were people who were expelled from the party for their support of the Prague Spring and for speaking against the invasion of Czechoslovakia. This is one side of the story. However, it is necessary to appreciate how quickly we have now left. Our bill has to be settled and liquidated as much as possible. However, there is no need for this undisputed damage which we have caused to become a political card in a game which could complicate both economic and friendly relations between our countries. I believe that representatives of both our and your ministries of the environment have to sit down at round the table, and we will have to accept what the experts agree upon. [end recording]

Romanian President Greets Moldova Anniversary

OW2506052191 Moscow INTERFAX in English 0930 GMT 24 Jun 91

[Following item transmitted via KYODO]

[Text] On the occasion of the first anniversary of Moldova's declaration of sovereignty adopted on June 23, 1990, Romanian President Ion Lliescu sent a congratualatory cable to Moldova's President Mircha Snegur.

"The proclamation of sovereignty", the cable says, "is a lawful juridical act issued in full accordance with the people's right to self-determination, with the principles legitimatized in a document of the Conference on Security and Cooperation in Europe and with the norms of morals and international law."

The Romanian President expressed hope that the two states will develop their relationship on the basis of new realities in the evolution of the European continent.

West Europe

Visit of Finnish President Koivisto Continues

Gives Dinner Speech

CM2406205491 Moscow PRAVDA in Russian 25 Jun 91 Second Edition p 5

[Speec by Mauno Koivisto, president of the Republic of Finland, at a dinner given by Mikhail Gorbachev, president of the USSR on 24 June in Moscow; TASS report: "Openness, Trust, Solidarity"]

[Text]Esteemed Mr, President!

Esteemed Mrs. Gorbachev!

Ladies and Gentlemen!

Dear friends!

Allow me to thank you, Mr. President, for the kind invitation to pay a visit to Moscow. Even though some time has elapsed since my previous visit, the dialogue between us has been constant in that time. You paid an official visit to Finland and we were also able to exchange views during the meetings in Helsinki and Paris alike. I am glad I had the opportunity to continue to exchange views with you, both on international policy issues and on the problems connected with social reforms.

The Soviet Union's renewal as a state is continuing, despite dificulties, along the path you indicated. Your personal contribution to the USSR's development in the direction of a new state union has been, and continues to be, of utmost significance.

Since my previous visit, profound and rapid changes have taken place in Europe. Your contribution also played a decisive role in this positive development.

The road leading to a new Europe, opening up in front of us, is a long and perhaps even a complicated one. Many old threats have disappeared, but new problems have emerged, posing serious challenges to us. among the most serious of these are the growth of economic problems, the destruction of the environment, and the aggravation of ethnic problems.

We do, however, have a common guide along the road to the emerging new Europe. The charter adopted in Paris last November is based on values which all the peoples of our continent share in common.

The construction of a new cooperation in present-day Europe is taking place at numerous and varied forums. Neutral Finland welcomes this development with great satisfaction.

As the first country to play host to the pan-European conference, we naturally pay much attention to the development of the Europe-wide process. This precisely applies to the political consultations, an example of which is the recent session of the Council of Foreign Ministers in Berlin.

The development of the Paris principles and the rendering of concrete expression to them will be on the agenda when we assemble for a routine meeting of the participant countries in the CSCE in Helsinki. I am expressing the sincere hope that we shall then be able to outline the further consistent, advancing development in the direction of that which you, Mr. President, call the common European home.

After visiting the United States a month ago I said that the development in Europe, and first and foremost in neighboring countries, is of paramount importance to Finland. We support development on the basis of the Paris principles and express the hope that it will be possible to direct this development. Now, when the "cold war" is a thing of the past, we shall develop cooperation on our continent in which all states will be able to take part. Although Europe-Wide development over the last few years has been swift and there have sometimes even been unexpected elements in it, the stable good-neighborliness that has prevailed in them for a long time now is continuing in Finnish-Soviet mutual relations. This does not, however, signify a lack of progress in our relations. The treaty on friendship, cooperation and mutual aid and the declaration signed by us during your official visit in 1989, before the present stage of development in Europe, consolidated our traditional relations and directed them into a channel of dynamic development corresponding to the spirit of the time.

Mr President!

In this speech, I would also liked to touch upon one of the key issues of our bilateral ties—the issue of economic cooperation between our countries.

Our trade turnover has been falling for several years now, but the situation this year is giving rise to particular concern. Although reductions were in general terms in accordance with the basic trends in Soviet foreign trade, primarily imports, the interests both of Finland and of the Soviet Union would be met by renouncing this direction in the development of our mutual trade and by raising it to a new level.

The will to achieve this really is present. Many contracts both in the import and in the export area were and still are in the development stage. This is not where the problems lie.

Since the beginning of this year we have switched from conducting reciprocal trade using the clearing system, which was the basis of trade for several decades, to calculating things in freely convertible currency. We understand that this change was dictated by the internal economic development of the Soviet Union and by an essential element connected with this—the decentralization of foreign trade.

I express the hope that in our trading cooperation it will still be possible to use as a temporary measure various forms of payment which are as flexible as possible, in particular at the level of enterprises in cases when calculations in currency do not lead to the best possible solutions.

By tradition, we have managed to seek out mutually acceptable solutions for common problems, and now too we are setting out with the view that such solutions can be found. There are excellent prerequisites for our cooperation both on a traditional basis and using the opportunities presented by a changed situation.

In our view there is a rapid increase in the significance of cooperation between neighboring areas. In the economic area the basis for this cooperation has so far been border trade between our countries. This process now involves the agricultural and food sectors, tourism, transport, and joint enterprises.

The economic potential of the entire Soviet Union, and primarily of the Russian Federation, will continue to form the basis for our cooperation which we want to develop by every possible means. The present difficulties are temporary.

Mr President!

I am convinced that the good-neighborly relations between our countries will retain their basic positive elements even in a changing world.

In conclusion M. Koivisto proposed a toast to Finnish-Soviet good-neighborliness, happiness, and success for the peoples of the Soviet Union and in honor of the president of the USSR and his wife.

Gives News Briefing

LD2506163391 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 25 Jun 91

[From the "Vremya" newscast]

[Text] In the press center of the USSR Foreign Ministry today. Mauno Koivisto addressed soviet and foreign journalists. The president noted in particular that trade and economic relations occupied a prominent place in the talks during the visit. He said that new problems are arising, among other reasons, because of the USSR's decentralization of its economy and the appearance on the international arena of new dramatis personae—the member republics of the USSR. It is with great attention, the guest continued, that we are studying the course of transformations in the USSR. We are interested in the fate of the union treaty, and how relations will be arranged between the center and the republics. Assessments of the opportunities for Finnish exporters depend on all of this. But Finland, even in difficult conditions, will continue to trade with the USSR. Mauno Koivisto replied to questions from journalists. [video shows news conference]

Discusses Bilateral Relations With Pavlov

LD2506142991 Moscow TASS International Service in Russian 1336 GMT 25 Jun 91

[Text] Moscow, 25 Jun (TASS)—The central theme of today's talk between USSR Prime Minister Valentin Pavlov and Finnish President Mauno Koivisto, was the current state of Soviet-Finnish relations and issues pertaining to their adaptation to the new conditions in Europe and in the Soviet Union. Valentin Pavlov emphasized that relations with Finland are one of the priorities of Soviet foreign policy. At the basis of such an approach lies the broad coincidence of the interests of both countries and their lengthy mutually beneficial cooperation which, with certain joint efforts, could and should develop further.

The two sides frankly discussed trade and economic links and emphasized the importance of the work being carried out at the present time to overcome the difficulties which have arisen in this area. They expressed certainty that the resolutions planned by both countries can be implemented to the mutual benefit of the USSR and Finland. Valentin Pavlov informed Mauno Koivisto about the measures which have been taken in the USSR to support the levels of Soviet-Finnish trade, and he expressed conviction that with our country's transition to a market economy new possibilities will open up for cooperation between both countries in the economic sphere.

Mauno Koivisto exressed his satisfaction with the Soviet side's approach to the problems of bilateral links.

At the request of the president of Finland, Valentin Pavlov dwelt on a number of economic aspects of the

future Union treaty, first and foremost from the angle of its meaning for cooperation between the Soviet Union and the rest of the world and from the angle of widening economic reforms.

Meets Boris Yeltsin

OW2606045091 Moscow INTERFAX in English 1230 GMT 25 Jun 91

[Following item transmitted via KYODO]

[Text] On Tuesday Moscow saw talks between Finland's President Mauno Koivisto and Russia's President elect Boris Yeltsin. The two men reached an agreement on developing direct ties between Finland and Russia. In the near future Russian officials will go to Helsinki to resolve concrete problems.

At the request of the Finnish President Boris Yeltsin expressed his outlook on relations between the center and republics. Before 1985, he said, there was only the center in fact, while the republics, as a political factor, were nonexistent, and therefore the leaders of other countries had to deal with the center alone. Since 1985 democratic processes enabled republics to proclaim their sovereignty and become a political factor.

For his part Mauno Koivisto said he hoped that Finland's relations with Russia and with the USSR as a whole will continue to develop in an atmosphere of neighborliness and mutual benefit.

Following the meeting Boris Yeltsin gave an interview to foreign reporters and assessed his visit to the U.S. According to him, his visit surpassed all expectations. He reached an agreement on cooperation with the U.S., not in the area of monetary aid, but in the field of jointly implementing concrete programs, including assistance in reforming Russia's financial, banking and crediting system. Boris Yeltsin said he believed that the campaign of protest against this nation's cooperation with Western countries unleashed lately by the right-wing camp doesn't frighten American partners. He is sure, said Yeltsin, that this is nothing but its final agony.

Exchanges Views With Yeltsin

LD2506171991 Helsinki Suomen Yleisradio Network in Finnish 1500 GMT 25 Jun 91

[Text] [Announcer] President Mauno Koivisto met Boris Yeltsin president of the Russian Federation, in Moscow. This morning Koivisto also met the Soviet parliament chairman and the country's prime minister. The greatest interest, among the international press too, was aroused by Koivisto's meeting with Yeltsin, as Markku Lehto reports from Moscow:

[Lehto] The meeting was in itself something quite historic. Yeltsin, the newly elected president of the gigantic Russian Federation, has not received a head of state before. President Mauno Koivisto was the first. The meeting was arranged at the Russian Federation House of Soviets. At the beginning of the conversation, Yeltsin welcomed President Koivisto onto Russian soil, and emphasized the good relations between the countries. President Koivisto, for his part, repeated his idea, expressed earlier on this visit, that there are economic problems between the broad land of the Soviets and Finland, but at the same time the countries' political relations have developed favorably. His visit is a manifestation of these good relations, he emphasized. This is how he justified the meeting with the leader of the Russian Federation:

[Begin Koivisto recording] (?He has gained) very much interest before, and now during this visit, (?in quite a good way) things are developing internally in the Soviet Union. From our point of view it is extremely [word indistinct]. [end recording]

[Lehto] If the long-awaited union treaty comes about between the Soviet Republics, Russia, for example, will in many respects be master in its own house, and as such, a significant trading partner. The Russian Federation is already managing its own forests. President Yeltsin, for his part, immediately announced his readiness to discuss relations between the republics and the center, the Kremlin. Yeltsin did begin his exposition by explaining how unequivocal relations had formerly been between the Soviet republics and the Kremlin. There was a center of power and the republics bowed to it.

At a news press conference before the international press later, President Koivisto stated that some sort of opening is being sought for creating relations between our country and the Russian Federation. In their talks Yeltsin and Koivisto agreed that the nature of their relations should be clarified. At the same time, however, President Koivisto emphasized the importance of good relations with the Soviet Union and there is no wish to disturb these relations in establishing relations with Russia either.

The presidents also agreed that Russia will, in the future send representatives to Finland to discuss matters of interest to both sides. Boris Yeltsin was not invited by Koivisto to visit Finland, but he does hope to meet him all the same. The reason, the president said, is that the position of a republic like the Russian Federation is somewhat unclear, and therefore relations with it are somewhat problematic.

Recounts Talks with Gorbachev

LD2506115991 Moscow TASS in English 1136 GMT 25 Jun 91

[By diplomatic correspondents Konstantin Voitsekhovich and Sergei Ryabikin]

Moscow June 25 TASS—Visiting President Mauno Koivisto of Finland described his meetings with President Mikhail Gorbachev and Soviet and Russian leaders as "exceptionally interesting" at a news conference here today.

During the talks, the sides discussed many issues "in depth", Koivisto said. He was interested in the future of a union treaty and also in the way relations between the centre and union republics will develop. Koivisto said Gorbachev told him that "the union treaty will evidently be ready next month."

Responding to journalists' questions, Koivisto noted that his visit to the USSR was basically of a political nature, although the sides discussed some economic problems. He emphasised that Finland sought to develop relations with the Soviet Union.

As for relations with the union republics, all of them are becoming interesting characters in political life. During the visit it was stipulated that the government of the Russian federation will send representatives to Finland to discuss a range of issues, Koivisto said.

Today, Koivisto winds up his stay in the USSR.

Visit Concludes

OW2606080691 Moscow INTERFAX in English 1530 GMT 23 Jun 91

[By Mikhail Mayorov, diplomatic correspondent; from the "Diplomatic Panorama" feature; following item transmitted via KYODO]

[Text] Today (June 25) is the end of the visit to Moscow by Finland's President Mauno Koivisto held without pomp and estentation usual for such visits in the past, without signing any statements or declarations. That needn't mean that Moscow and Helsinki have any differences in assessing the prospects of their bilateral trade and economic cooperation. They say at the 2nd European Department of the Soviet Foreign Ministry that the two sides find it necessary in principle to use the still untapped reserves and all available forms of accounts in their trade and economic relations. They intend to overcome the difficulties which have been facing them in the recent years.

As problems emerged following a switch-over to convertible currency last January, the leaders of the two countries agreed to encourages compensation and barter deals and develop cross-the-border trade.

As they explain at the Soviet Foreign Ministry, the talks in Moscow have shown that the so-called "Karelian question" does not exist in the two countries' bilateral relations. It has been more than once confirmed in Finland, including its top official level, that the present borders are to remain as they are according to political agreements with the Soviet Union. At the same time, the two leaders spoke at the meeting just concluded about widening Finland's links with the border-line regions of the USSR, particularly setting up more checkpoints on the border. Replying to the question by our DP [Diplomatic Panorama] Soviet military activites in the Kola Peninsula and the mainland wasn't mentioned at yesterday's talks in Moscow.

"Perfectly correct" was the word used at the Soviet Foreign Ministry about Finland's position with respect to the Baltic republics. The jist of that position is that their status should be determined constitutionally, remember that any tension in that region is against the interests of the neighbouring Finland.

In the run-up to the Great Seven meeting in London Finland supports the intergration of the Soviet Union in the world economic network and its cooperation with the West on the general European basis. They think in Helsinki that would be useful not only for the Soviet Union, but also Finland. It was stressed at the talks between the two Presidents and also between the two Foreign Ministers that the coming Helsinki-2 conference is to be a significant stage in the European process.

Gorbachev Bids Farewell

LD2506141291 Moscow TASS International Service in Russian 1346 GMT 25 Jun 91

[Text] Moscow, 25 Jun (TASS)—Having completed the program of his official visit to the Soviet Union, Mauno Koivisto left Moscow today.

USSR President Mikhail Gorbachev and his wife bade a warm goodbye to the president of Finland and his wife in the Kremlin's Georgiyevskiy Hall.

The farewell ceremony was continued at Vnukovo Airport. Mauno Koivisto was shown the honors envisaged by the state protocol of the USSR for heads of foreign countries.

The guest was seen off by USSR Vice President Gennadiy Yanayev and other officials.

Latin American & Caribbean

Castro Views Soviet-Cuban Ties

91UF0882A Moscow SELSKAYA ZHIZN in Russian 18 Jun 91 p 3

[TASS report: "An Interview With F. Castro"]

[Text] Havana, 17 June (TASS)—The crisis that the Soviet Union is experiencing has caused a great deal of harm to Soviet-Cuban economic relations, much more than the disappearance of the socialist camp in East Europe. It is having catastrophic consequences for the security of Cuba and the fate of the revolution. This is what Cuban leader Fidel Castro said in an interview with the Mexican journal SIEMPRE, the text of which was carried by PRENSA LATINA.

F. Castro pointed out that for 30 years Cuba has been accused of being a satellite of the Soviet Union. That, however, was a lie, because the Cubans have never been the obedient executors of orders from Moscow and have never even received such orders. The USSR has never tried to exert economic pressure on Cuba, the Cuban leader emphasized.

The present Soviet leadership "has always nurtured a feeling of respect and friendship for Cuba and has made every effort to develop our ties," he noted. Neither the USSR nor Cuba has been insisting that the other side carry out any particular reforms. The principle has been one of mutual respect, and still is, and therefore Cuban-Soviet relations have been cordial, F. Castro pointed out.

If Soviet people have decided to carry out reforms, even build capitalism, he said, we respect that decision, but we do have the right to our own opinion in the matter. At the same time F. Castro pointed out that in the East European countries and the Soviet Union, capitalist methods and mechanisms have been abused.

Expressing his opinion about the personality of M.S. Gorbachev, F. Castro said that "the historical role of the Soviet president depends on whether or not he will be able to preserve the USSR as a major multinational state and great power, because the idea of a unipolar world in which the United States dominates is attractive to no one in that world." "We hope that Gorbachev's talent and intellect and his wisdom and good intentions will help him to find the formulas that will enable the Soviet Union to maintain its role as a great power," the Cuban leader noted.

Talking about Cuban relations with the United States, he pointed out that the state of those relations depends on the position of the American Administration.

The Cuban leader stated that the danger of an American invasion of Cuba is growing.

Venezuelan Politician Against Pressure on Cuba

PM2506090191 Moscow IZVESTIYA in Russian 21 Jun 91 Union Edition p 4

[Report by G. Charodeyev on interview in Moscow with I. Cardoso, secretary general of the Christian Democratic Organization of America and chairman of Venezuela's Christian Social Party; date not given: "I. Cardoso: Cuba Must Resolve Its Problems Itself"]

[Excerpts] An international seminar which examined democratization processes in the Soviet Union and Latin America in interconnection with the future of world civilization has come to an end in Moscow. Ilarion Cardoso, secretary general of the Christian Democratic Organization of America [OCDA] and chairman of Venezuela's Christian Social Party, was among its numerous guests.

In conversation with IZVESTIYA's correspondent he voiced a high assessment of the results of the meeting and stressed that the gap between the positions of Soviet and Latin American scientists and politicians is closing despite differences in their approach to highly acute problems of mankind's contemporary development [passage omitted].

"Cuba has the only government in the region," I. Cardoso reckons, "that has come to power by nondemocratic means. We are convinced that dialogue within the country between various political forces on the one hand and F. Castro on the other is now overdue. In addition, the changes in political and economic relations in the world should influence the restoration of democracy on the island. However, we do not think that the regime there should be influenced from outside, for instance, by continuing the economic blockade. Cuban totalitarianism cannot be eliminated by the superpowers. The Cubans themselves should settle this internal Cuban affair." [passage omitted]

"People in Venezuela, Argentina, Bolivia, and Peru," the OCDA secretary general said in conclusion, "have always regarded the Soviet Union with suspicion. Moscow was considered the enemy of world democracy and the supplier of arms to antigovernment groupings. That, in my view, is the reason for our poor political and economic ties in the past. Our relations will now change for the better. The whole world knows that the USSR wants to live in peace and harmony with all states, develop a market economy, and render its society more open and more humane. I believe that we will enter future world civilization hand in hand."

Supreme Soviet

Government Announces Main Phases of Privatization

OW2506095791 Moscow INTERFAX in English 1230 GMT 24 Jun 91

[Following item transmitted via KYODO]

[Text] The Soviet Government submitted to the Supreme Soviet its prognostication of the main phases and consequences of denationalizing and privatizing state property.

According to the prognostication, privatization is to be conducted in two stages: In 1991-1992 and in 1993-1995.

The initial stage excludes from turning into other forms of property the following facilities: defense plants that are not subject to conversion, power plants belonging to the unified energy system, communication facilities, space research centers, railways, airports, seaports and some other facilities.

By the end of the first phase 40 to 50 percent of assets belonging to facilities managed by the center are to stop to be run by the state [sentence as received]. As for the facilities run by republican and local government bodies, according to the prognostication it would be wise to denationalize and privatize at the initial stage trade facilities, catering centers, services and local industry anterprises.

By the end of the 2nd phase 60 to 60 [as received] percent of assets belonging to state-run facilities are to be denationalized.

The estimated share of state involvement in setting up shareholding societies at centrally controlled enterprises may by the end of 1995 be as follows: 10 to 15 percent in machinebuilding, 20 to 30 percent in smelting, 30 to 50 percent in power engineering, 10 to 15 percent in chemistry and forestry, 30 to 50 percent in defence complex, 30 to 50 percent in transport, 50 to 70 percent in communications.

CEMA Abolition Protocol Approved

LD2506163491 Moscow TASS International Service in Russian 1532 GMT 25 Jun 91

[Report by TASS parliamentary correspondent Ivan Ivanov]

[Text] Moscow, 25 Jun—The USSR Supreme Soviet has given its assent to the Soviet delegation's signing of the protocol on the abolition of CEMA during the 46th CEMA session planned for 28 June. This document registers that agreement by Council members to terminate the CEMA charter and the convention on the Council's rights in law, privileges, and immunities. Three hundred and thirty-two deputies voted for the decision, five voted against, and 10 abstained.

Speaking on this issue in the Union Parliament, Stepan Sitaryan, the USSR's CEMA representative, said that "the Council, which was formed more than 40 years ago, has in practice been inactive for a year already. This is a result of the changes that have taken place in the political orientation of the countries and in their economic systems. For that reason, the participating countries have agreed to give official legal form to the ending of its activities."

Stepan Sitaryan reported the CEMA partners have agreed that the intergovernmental protocol on the abolition of the Council will come into force the day it is signed, without subsequent ratification. The assent of the countries' legislative bodies has to be received for this.

"Economic cooperation in particular areas among CEMA member countries will not end with the dissolution of the CEMA; only the structure of multinational cooperation which was based on specific political and economic principles is being abolished, he said, stressing that "cooperation in new forms will certainly be continued on both a bilateral and multilateral basis."

According to Stepan Sitaryan, virtually all the previous CEMA member countries are in favor of seeking new forms of multinational cooperation. "But there is one difference: The European countries favor this form of cooperation being limited in the future within a regional context and not including such countries as Cuba, Mongolia, and Vietnam, he said. The USSR, however, supports the view that the future organization, though it will carry out consultative and analytical functions and will be fully based on market principles for organizing the economy, should be open to all who wish to join it.

Commission Debates South Ossetia Conflict

PM2606084591 Moscow IZVESTIYA in Russian 24 Jun 91 Union Edition p 2

[Report by G. Shipitko under the "In USSR Supreme Soviet Committees and Commissions" rubric: "South Ossetia: There Is Agreement. The Conflict Continues"]

[Text] At its sitting 20 June the Nationalities Policy and Interethnic Relations Commission heard and discussed a report on the results of the interparliamentary commission's trip to Georgia. As is well known, the commission was formed by decision of the USSR Supreme Soviet Soviet of Nationalities in connection with the situation in South Ossetia.

A protocol was formulated as a result of almost two months' work, meetings with the two sides' representatives, and the commission's trip to the conflict zone. It was signed by all members of the commission—deputies from the union parliament and also from Georgia, Russia, and South Ossetia.

At last there is a document mapping out means of settling the conflict between the two peoples, which has

caused more than 36,000 peaceful inhabitants to leave South Ossetia, the deaths of 131 people, and hundreds of injuries. You would have thought that there were grounds for optimism: Agreement can still be reached and everything is not that hopeless. But alas... the unstable lull may become a fresh round of confrontation at any minute if the articles of the signed protocol are not brought into effect. Moreover, as Commission Chairman V. Gusev noted, there must be goodwill from all parties to the conflict. A political solution to the conflict is needed above all. Even such a lofty commission as a USSR Supreme Soviet commission cannot bring peace to South Ossetia. It emerged in the course of the commission chairman's answers to deputies' questions that the commission does not possess the requisite powers to do this.

What are the political means of resolving the protracted conflict, which is increasingly affecting the sociopolitical situation throughout the North Caucasus? In the commission's opinion, this is a matter of an appeal to the USSR and Georgian presidents above all to examine the entire set of political, economic, and social problems linked with restoring Georgia's state independence.

In other words, the countdown for resolving the conflict should start from the prevailing political situation whereby there is an independent Georgia and no South Ossetian Autonomous Oblast, abolished by decision of the republic's Supreme Soviet. This formulation of the question was unable to satisfy many deputies who are members of the Nationalities Policy Commission and attended the sitting held by representatives of the "Soyuz" group, who reckon that the former state structures should be restored and the Ossetians' right to self-determination acknowledged first in order for potential dialogue to occur.

After a long debate the deputies nonetheless approved the measures outlined by the interparliamentary commission to normalize the situation in the region. They envisage above all coordinating the efforts by organs of state power to restore the economic activity and vital services of the inhabitants of the region and eliminate the aftermath of the earthquake. They also make provision for refugees to return to their place of permanent residence and for disarming all illegal formations.

Under the conciliation protocol elaborated by the interparliamentary commission and the Georgian leadership, Georgia's President Z. Gamsakhurdia appealed via the mass media to the republic's population. Couched in terms of accusations against the center and Ossetian extremists of fanning the conflict, he urged all parties to voluntarily lay down their weapons, guaranteeing that they would be "exempted from responsibility for illegally carry weapons." In his opinion, this step will make it possible to stop the fratricidal killing and restore the traditional friendship and peace with the Ossetian people.

Assurances do not of course constitute concrete deeds. However, there is a real interethnic conflict that must be resolved since it is a question of the lives of tens of thousands of people who are currently doomed to semi-starvation because of the continuing blockade of South Ossetia. The problem has been aggravated by two destructive earthquakes that literally razed many settlements, both Ossetian and Georgian, to the ground. And the Georgian leadership has effectively withdrawn from offering aid to the victims. The Union government is now doing this, having allocated construction materials, foodstuffs, and 38 million rubles in material aid. But this can only be delivered with tremendous difficulty since railroad communications remain severed by Georgian gunmen. And the region's population is unable to ensure supplies of its own foodstuffs. Only a fifth of the land was sown this spring. Unless transport arteries are restored before the cold weather sets in, the population is doomed to starve or else it will leave its homes in the quest for food and shelter in neighboring republics.

Ivashko Addresses Supreme Soviet 24 Jun

LD2506123791 Moscow Central Television Second Program Network in Russian

[Speech by Vladimir Antonovich Ivashko, deputy general secretary of the CPSU Central Committee, at the USSR Supreme Soviet session in the Kremlin, Moscow, on 24 June—recorded]

[Text] Esteemed deputies. Thirteen months have passed since the discussion of programs for economic transformations began in this hall. Thirteen months! More than a year! And where are we now? The then head of government presented a program, then we had the 500-day program, then we had the—let us call it the compromise alternative of Academician Aganbegyan—then came the Basic Guidelines, then we reached the anti-crisis program which is still, all in all, not yet in a whole and finished state. In short, time is passing and so far we have built no new economy, no new economic relations whatsoever either in the legislative or the executive sense.

What about life? Life is carrying on in its own way and we have what we have. And now we must face some kind of, stand at some kind of dividing of the ways, and look at what is to be done in the future in connection, in particular, with the discussion of this and other laws which affect and concern new economic relations. One path is to establish our position on state ownership, on rigid centralized governing, in other words on what we have had up to now. However, remember one thing. As early as in 1957 people reached the conclusion that such a rigid system is not effective and it was then that Krushchev attempted to break up the management of the economy by setting up economic administrative rayons headed by Sovnarkoz [Sovet Narodnogo Khozyaystva].

I do not wish right now to talk about either the virtues or the shortcomings of this system—this is neither the place

nor the time for this. I would like to say that 30 or so years ago this problem was already facing our society. Even then the hopelessness of the rigid centralized planning and governing from a single center was evident. One could leave things the way they are now, in other words suspend everything and wait until processes get underway by themselves. And they are moving. And finally, we could mobilize the efforts of the Supreme Soviet both in the area of legislative activity and the area of organizing executive power which, incidentally, we are hardly engaged in at all, in order to implement the economic reforms in the interests of the people.

If one looks at what we have today, then I would like, first of all, to stress one thing. While we are arguing, a process is going on which has been conditionally called rampant privatization, but I would like to draw your attention to the fact that this rampant privatization is really not so rampant. It is going on at every level of society and public relations. If you look closely you can see that in the system of central state bodies of management an erosion of ownership has been quietly going on, relating to certain concerns, associations, joint enterprises, and so on, and so forth.

This process is taking place at the second level on a republic scale. In other words, a republic gets a little bit where it can; this same process occurs at regional level, at enterprise level, and finally at the level of the businessman—individual and most energetic people. And meanwhile we, incidentally, the state, society, that is, the people get not a single kopeck from all these changes, so to speak, of course. Because all of this property of the entire people which is being picked over by rampant privatization at the moment, is being picked over absolutely free of charge. Or at least, for some kind of symbolic payment. Because, generally speaking, no one really even knows the concept of replacement value. People purchase either according to balance or the residual value.

All in all, to put it briefly, people rake in this property of the people in whatever way they can. What are we waiting for? For us to pick it all apart, or what? I realize that this would be an unpopular act. I believe that this draft law which has been presented, while chiefly meeting in its basics the changes in the forms of management of state ownership, at the same time suffers from a number of fundamental shortcomings which make it necessary to work further on it over a short period of time. Above all, it is a question of the objective of denationalization not being sufficiently clearly defined in the draft, and people do not understand this. This law, in my opinion, stands apart from all other acts of economic legislation. People need to understand why and with what objective this is necessary.

Perhaps this should be written down—and not in any preamble, but in some article, taking account of the specific features of this law, that if it is a law with direct effect, then that is only partial. People perceive the project as an encroachment on the property of the entire people, and as undermining the economic foundation of the state. I think that the aim of denationalization needs to be formulated clearly in the law, putting the chief emphasis on giving people independence and economic freedom, and the creation of condition for initiative and enterprise with the aim of gaining high economic returns. And the most important thing is to tell them that Nikolay Emmanuilovich Ternyuk was talking about here—the point is to put the worker in control of the product of labor, that is the most important thing, and not, for example, of the purification plants at this or that enterprise.

Another comment: We must find a formula to sort out the mechanism of implementing denationalization. I have in mind the timescale and the scope of the possible transformations. This is not such a simple matter. May I quote a couple of examples which have been published recently? Thatcher earned a good reputation as a reformer. Over a period of 11 years, she increased the proportion of private owners in the population from 7 percent to 24 percent. That is, just look at the timescale needed. In Poland, five major enterprises have been privatized. Five! Not 500 and not 5,000. Expenditure worth 13 percent of the production assets of those enterprises was needed to denationalize them. This is a very complicated and big process. Even in the very radical "500 days" programme, if you recall, seven years was given over to denatioalization by up to 70 percent. The question arises: Where will the process take off, and how will the others work meanwhile? This should be reflected in our document, I think.

The next point: The question of social protection. It would be worthwile going to the draft law once again and refining it from precisely this angle. This concerns not only labor collectives of the enterprises being denationalized, but also the workers in spheres of the economy which will not be touched by denationalization and privatization. You understand the nub of the matter, for there are teachers, doctors, office staff, a vast number of the population who would seem to have nothing to do with this law, because after all, it only concerns the sphere of production. And if we do not find the formulas here to define what the remainder of the population is to get, whether through higher productivity or some other way, this law will not be accepted by the public. This law will not take off on its own, and so there is no justification for us to reckon on it taking effect very rapidly. In figurative terms, when speaking about denationalization, we should constantly think about the campaign against drunkenness and alcoholism, when what was in general a noble idea not only failed, through its absurd implementation, to do people good but also inflicted economic losses on a nightmarish scale.

And finally: It would seem that we need to work on this law, but to pass it during this session. In what form, a third reading or whatever it might be called, that is another matter. But it must be passed, and must start working well.

This morning they were saying that today's debate should be shown [on television]. But I was sitting there thinking: What can the television viewer understand of what we say? Because in front of us we have the text, in fact, three texts of draft laws. But what does the television viewer know? So perhaps it would not be a bad thing to print this draft right away, literally tomorrow, in the newspapers. What is there to be afraid of? And let the people have a read, look at it, see it, then they can make some judgement. Otherwise we are again praising this and cursing that, while the millions watching TV don't know what it's about. Thank you.

Ligachev Addresses Supreme Soviet 24 Jun

LD2506124791 Moscow Central Television Second Program Network in Russian 2242 GMT 24 Jun 91

[Speech by Yegor Ligachev, former member of the CPSU Central Committee Politburo, at the USSR Supreme Soviet session in the Kremlin in Moscow on 24 June—recorded]

[Text] Esteemed comrades, people's deputies: Like those who have spoken before me, I would like to stress that in my view the group of deputies headed by Comrade Boyko have done some thorough work in recent days and have done so with profit for the matter in hand. At the same time I have taken the floor and I want to say this. It seems to me that in our society, together with positive changes, there are processes going on of degeneration, of radical changes to its foundations. Let's take the question of ownership and its transformation; in other words, the subject of the draft law being discussed by the Supreme Soviet. Incidentally, I would also like to subscribe to the opinion of one speaker who said that we should be talking about reforming, about transforming, state ownership. In my opinion we have thoroughly confused each other with such terms as removal from state hands and privatization [razgosudarstvleniye i privatizatskya]. But that is by the way.

In 1985-89 there was never a whisper about private ownership. Then, in 1990, demands for the introduction of private ownership were introduced into the draft platform of the Central Committee. At the same time there was a very tough struggle, including in the Politburo. But the category of labor private ownership made its appearance in the changed draft platform to damp down opposition to this category on the part of the broad strata of society. That did not help, either, however. Then it was stated that private ownership would only be allowed within the services sphere and small-scale enterprises. But what do we have today? The Supreme Soviet is now examining a draft law where the new bourgeois and foreign investors can buy up—and I quote—enterprises in all branches of the national economy. As we see, it began from something small, by way of exception, and it has ended up now—at the stage where the law is being worked out—with the lifting of many barriers on the path of private ownership. It seems to me that the question is this: either privatization—and I use this term in the primary meaning of the world, like private ownership, meaning a rolling back, moving backwards; or—and we'll use the term that's current now of taking ownership out of state hands on the basis of a variety of collective forms, which means moving forward along the path of progress. Private ownership is not a form. It is already a type of ownership, it is a new social system. Is it necessary to introduce private ownership into our society? What will private ownership lead to? The way that privatization is necessary to eradicate the alienation of the producer from ownership. One may well ask: Does private ownership, based on the exploitation of hired manpower, really bring together the worker and the means of production and make him the master of both the property and the results of his labor? In my opinion, no, it does not. On the contrary it alienates him. Furthermore, I would like to draw your attention to the fact that, at the session of the Interaction Council that took place in Prague at the beginning of June this year, former Western heads of states and of governments voiced the thought that the capitalist system—and I am virtually quoting—which in their own definition means market relations and private ownership, is incapable of satisfying collective and individual needs and ensure a fair distribution of forms. An extremely important admission. Furthermore, it—this statement—carries the signatures of leading bourgeois figures of the West like Schmidt, Giscard d'Estaing, Trudeau, Fukuda, and many others.

To continue: At the present time calls are being heard all the time—and this is perfectly correct—for the consolidation of social forces as one of the most important conditions for extracting the country from the crisis. But, you know, the establishment of private ownership and the emergence of the private owner as a class—and this is inevitable—will mean the ultimate break-up of society. I am sure that once they have consolidated themselves in the economy they will enter politics and take up posts in the bodies of power, including in country's Supreme Soviet. I would also like to remind deputies—and this must be borne in mind—that the existence of private ownership and a free market in the Soviet Union is one of the conditions of possible aid to us from the West and this is spoken about openly.

Certain circles in the West not only want but even demand that we should have the same type of economy as they have, no more and no less, as the saying goes. From my point of view, private ownership based upon exploitation of man would lead not to reconciliation, but to further aggravation and direct confrontation of social forces, with extremely grave consequences. As one would like to say: Don't add fuel to the flames of social passion. Stop, think of the consequence. Remember how our society reacted to the profiteering cooperatives. In the case in hand, however, this will be more acute and more dramatic, it seems to me. I am convinced that tearing asunder the land, the people's property, and distributing it around private granaries will be the sparks from which

the flames of popular fire wil flare up. This is what private ownership of the means of production will lead to.

If things go as far as the sale of public property into private hands, the capitalization of the country, and the further weakening of the international positions of the Soviet Union—this is akin to betrayal of the interests of the people and the fatherland. The idea of betrayal, comrades, is not my own. It is being voiced increasingly forcefully in collectives, people are talking about it amongst themselves: I was aware of it again when I visited labor collectives of the Donbass and Moscow. Perestroyka was conceived not to replace the Soviet system, but to reform it and develop it. While we pursued this line, things went well with us.

I shall not conceal the fact that I have been perplexed and worried by President Gorbachev's latest pronouncements about his new vision of the policy of perestroyka. When he was in Norway, he said at a news conference in Oslo that perestroyka is a move away from one system into another. What does this mean? If it means a repetition of the agoninizing path that has been travelled by the developed capitalist countries, then these are quite different guidelines. This is a fundamentally different policy. At the same time we should recall that many socio-economic problems—and the deputies know this very well—in these countries have been solved in many respects through the plunder of other peoples.

To make it easier to convince people—whereas I would say quite simply to deceive people—about entering into some capitalist paradise with market relations and private ownership, the criticism of Soviet history is continuing, and the idea that everything in the past was allegedly bad is being instilled into people's consciousness. We have indeed contrived in a very short period of time to lose much of what the people have achieved over decades—this I say with sorrow, and acknowledge my own fault here. Just take note: one can hear, even in the upper echelons of power, voices alleging that everything was formerly held together by force, and everything was done under the lash.

It would probably be advantageous for Ligachev to join in these allegations, to mitigate the mistakes of the political leadership of which he was a member. But I can not behave like that; I think it would be immoral. The attempts to present the Soviet Union as the empire of evil and force are malicious lies. This is being done to weaken our people, destroy their national self-awareness, and turn the country in a different direction. I cannot change my views with the incredible facility that some of those around the president do.

Comrade members of the Supreme Soviet, comrade legislators of the country, I will draw to a close here. Today you are debating a law that in many respects determines the destiny of the people and of the entire socialist fatherland. Taking account of the grave consequence of privatization of the people's property, I submit the following proposal for your consideration: to adopt the law on taking ownership out of state hands, that is, on reforming, on transforming public ownership on the basis of collective forms; whilst excluding the privatization of ownership, that is, the selling of public property into private hands. Incidentally, I have learned from a PRAVDA report that the Moldovan Parliament proceeded in this manner the other day. The thing that can have the greatest impact is the reform of the property of enterprises by way of cooperatives and leaseholding. The new forms of ownership must of course be introduced consistently, gradually, as experience is accrued, and exclusively on a voluntary basis. In connection with this, I draw your attention to the statements by the Russian Soviet Federated Socialist Republic Communist Party and the Moscow City Party Committee.

In conclusion: if [word indistinct] will permit me, I will call upon people's deputies to support the aspirations of labor collectives to create committees at enterprises to protect the people's property in its collective forms. I believe we need these, reforming society within the context of socialism. Thank you for your attention.

Deputies To Examine Draft Union Treaty in July

LD2506193991 Moscow TASS International Service in Russian 1845 GMT 25 Jun 91

[Text] Moscow, 25 Jun (TASS)—The draft of the new Union treaty will be examined at the USSR Supreme Soviet session in the first half of July. The decision on this was adopted at the Supreme Soviet Presidium session today.

At the session issues were discussed relating to the stage that is nearing completion in the work of the fifth session of the Union parliament. In keeping with the program being implemented by the USSR Supreme Soviet for creating a rule-of-law basis for the market economy, it was recognized as necessary to examine the draft laws on foreign investments, on the principles of antimonopoly legislation, on the insolvency (bankruptcy) of enterprises, on securities and stock-exchanges in the first 10 days of July.

Great attention will be paid to improving social relations, and strengthening law and order and guarantees of the rights of the individual. The USSR Supreme Soviet will discuss the principles of the criminal legislation of the USSR and the republics.

At the session information was presented and taken into consideration on the work of the deputies' commission for settling the situation in South Ossetia. The USSR Supreme Soviet Presidium has adopted a decision on the participation of the group of USSR people's deputies in the talks between the representatives of the Azerbaijani and Armenian peoples of the Nagorno-Karabakh Autonomous Oblast.

Legislation on Income Indexation Passed

LD2506181391 Moscow TASS in English 1805 GMT 25 Jun 91

[Report by TASS parliamentary correspondent Ivan Ivanov]

[Text] Moscow June 25 TASS—The Soviet parliament today passed the fundamental legislation on indexing incomes.

Only pensions, allowances and salaries of budget organisations' employees will be paid compensation from the the budget. Employees of profitable enterprises will determine the order of indexing their incomes in collective agreements with the administration.

During debates, labour and Social Issues Minister Valeriy Paulman noted that 100-per-cent indexing of incomes for all working population within the minimum consumer budget, proposed by some legislators, would only boost hyperinflation.

The law determines the main principles of indexation, giving republics the possibility to determine the amount and periodicity of payment themselves.

While determining the price index, both state and market prices will be taken into account. According to the soviet labour and Social Issues Ministry, the country will need 3.55 billion roubles to pay compensation, if prices grow by one per cent.

USSR Supreme Soviet 25 Jun Proceedings

LD2506194691

Moscow Central Television Second Program Network in Russian at 1846 GMT on 25 June carries a 44-minute "At the USSR Supreme Soviet Session" program of recorded excerpts from the USSR Supreme Soviet session in the Kremlin, Moscow on 25 June.

The announcer says parliament today considers the second reading of the law on income indexation; deputy Zhuravlev spoke on behalf of the social affairs committee. The bill was passed in principle, with the exception of certain articles.

At 1848 GMT, Chairman Lukyanov offers the floor to deputy Bosenko of the veterans' committee, in the discussion of Article 3. Bosenko discusses the definitions of income level necessary for a basic standard of living, and proposes an amendment to the article. An unidentified female deputy then talks about discussions on pensions in parliamentary committees.

At 1856 GMT Social Affairs Minister Valeriy Paulman delivers the government's opinion. He explains the background to calculations of minimum income levels and the cost of living. An unidentified deputy asks how servicemen's incomes are to be index-linked. Paulman explains what is meant by the minimum consumer budget.

At 1906 GMT Lukyanov reads out Article 3 in its updated form, defining indexation and methods for calculating guarantees. Paulman agrees with the text read out by Lukyanov. Lukyanov then moves on a contentious paragraph in article 7, concerning wages of employees of state enterprises.

At 1911 GMT an unidentified deputy explains the trade unions' view of the issue. He talks about the division of expenditure between unions, enterprises and the local budget.

At 1913 GMT Paulman urges consideration of the problems faced by unprofitable enterprises. He complains that the unions' proposal would foist all spending onto local budgets.

At 1916 GMT an unidentified deputy asks about the plight of enterprises which have been spending money on social facilities for their staff. Paulman urges the Supreme Soviet to take separate decisions on such matters and not to impose too great a burden on local budgets under the current law.

At 1919 GMT Lukyanov proposes taking a vote on article 7 without the contentious paragraph. The proposal is passed 341 to 3.

An unidentified deputy, speaking for a parliamentary commission, then calls for retention of the disputed paragraph and proposes a new amendment. Lukyanov takes a vote on the deputy's proposal: passed 367 to 1. The deputy makes another proposal: for trade unions and public organizations to perform a monitoring function. Bosenko objects to including the enterpreneurs' union in the list of monitoring organizations. Lukyanov reads out the proposed list of monitoring bodies. The main proposal is passed 280 to 28.

At 1928 GMT the announcer says that parliament spent all day on the indexation bill, and summarizes the discussion. Parliament also finally discussed the abolition of CEMA. Deputies will work in committees and commissions tomorrow.

The program ends at 1930 GMT

Political & Social

Pavlov, Kryuchkov 'Attempted Coup' Debunked

PM2506231591 Moscow ROSSIYSKAYA GAZETA in Russian 26 Jun 91 p 1

[Political observer Vladimir Kuznechevskiy "Political Commentary": "Attempted Coup? Absolutely Not, Merely Intrigue"]

[Text] On Monday 17 June the more or less calm flow of political life in our country and abroad was disrupted by a report from the USSR Supreme Soviet: Delivering a report on the socioeconomic situation in the country, Prime Minister Pavlov described this situation as critical

and demanded that the parliament grant the Cabinet of Ministers some of the president's powers in order to overcome the crisis. Pavlov's demands were backed by D. Yazov, V. Kryuchkov, B. Pugo, and deputies from the "Soyuz" group. Confrontation continued throughout the week between the Cabinet of Ministers and the Supreme Soviet on the one hand and the USSR president on the other. On Friday 21 June M. Gorbachev addressed the Supreme Soviet and, it seems, extinguished the conflict. That is how—or approximately how—the press covered the main political events last week. We offer our readers a somewhat different view of these events.

The prime minister of the government, appointed to this post by the head of state, demanded that the supreme legislative body deprive the president of powers he had been accorded and transfer these powers to the Cabinet of Ministers. An unusual move? Yes, but that is not all.

On the whole the answer lies on the surface. It is a question of two events that have already come to pass and two impending events. The first was the 23 April Novo-Ogarevo "Nine-plus-One" agreement that opened the way to political stabilization in the USSR, gave impetus to the formation of a new political system within the USSR, and had repercussions both within the country and abroad. The second was Yeltsin's election as RSFSR [Russian Soviet Federated Socialist Republic] president. The third is the coming signing of the Union treaty; and the fourth, the G-7 meeting in London.

Everything indicates that prior to 12 June the core of conservative forces at the Union level had nurtured hopes that it would still be possible to revert Gorbachev to the kind of relations with them that had developed by fall 1990 (at that time they succeeded in diverting the USSR president from the June agreement with the RSFSR Supreme Soviet chairman, from the Russian "500-days" program).

Yeltsin's election as Russian president speeded up the work on the draft Union treaty" and on materializing the "Nine-plus-One" agreement.

Conservative forces' hopes of safeguarding the status quo on the political scene became problematic. Everything became so clear after 12 June that even the ingenuous Deputy Sukhov concluded with his characteristic bluntness: "...We've had it, the USSR Supreme Soviet has had its day, its last days are here."

Of course, party officials, generals, marshals, and many Union ministers refuse to resign themselves to this prospect—for them political life woiuld simply come to an end with the possible transformation of the Union legislative body. They realize that there will not be any demand for them. Forced to take stock of reality, they do not see Gorbachev as someone who will defend their interests. Stern, inflexible Pavlov is another matter. It is therefore necessary to repudiate the "Nine-plus-One" agreement and halt the signing of the Union treaty.

That is one version. In light of this, there seems to be no mystery as to why Lukyanov, who has always been outwardly loyal to the president, made no attempt even to prevent the "mutiny" aboard his own ship but even opened the debate. The "nine-plus-one" agreement also determines his political future. Let us recall that the attempt to let the Supreme Soviet save face with the 22 May resolution met with vigorous opposition from most of the participants at Novo-Ogarevo. Item 3 of this resolution signed by Lukyanov reads as follows: "It is deemed advisable for representatives delegated by the supreme bodies of USSR state power to participate in the signing of the Union treaty." This was what the republics' leaders could not agree to. So Lukyanov backed down, saying that the resolution was by way of a recommendation.

The shrewd political gambler saw the demarche taken by Pavlov and his supporters as a stone cast on the water. What ripples would form? How determined were the president's attackers?

However, another version can also be presented.

This sees the move by Pavlov, backed by Army, KGB, and Ministry of Internal Affairs leaders as by no means an unconstitutional attempted coup, as some deputies have described it, but merely as a common or garden variety intrigue. And this intrigue was not staged by people in the USSR Supreme Soviet conference hall, but elsewhere entirely. Parliamentarians and ministers seem to be no more than the protagonists in a well-written scene, acting sincerely, in accordance with their convictions and convinced of the reality of what was happening. But at the same time I believe that another policy was also—and is also—at work.

First, that is not how coups d'etat are carried out. If rebels have the forces to seize power and the conditions exist for them to retain power, they do not talk about a coup, they carry it out.

Second, everything went very much "as planned." The premier's revolt, pressure from "Soyuz," backing from the leaders of three powerful departments followed by shrieks and hullabaloo—almost the end of democracy—then, in conclusion, along comes daddy and the children who were about to start playing pranks when they go back to their toy building blocks. In this case daddy didn't even pretend to be removing his belt. He just shouted emotionally two or three times. Of course, that is enough for obedient, exemplary children. But we are not dealing with children here, after all, but fully formed grandfathers with the burning interests of their departments, organs, and groups at stake.

You also notice the USSR president's total lack of dismay since Monday, although you would have thought that he had something to be dismayed about with forces of this kind grouping and forming an organized opposition to him.

I think that all that happened was nothing more than a scene ahead of the impending agreement and signing of the Union treaty and ahead of July's G-7 meeting in London. Both groups of people have to be intimidated with the threat of a coup. To ensure that the latter are more compliant on the question of support for the author of perestroyka, notably economic support directly for the president. And to show the republics: See the kind of opposition that has to be overcome, so be quick and sign the treaty.

Yet it is not for nothing that the USSR president really likes this treaty. The point is that whereas the first section of the draft ostentatiously proclaims the republics' right to autonomously resolve all questions relating to their development, subsequent articles effectively leave nothing of this right, other than leadership of local industry and municipal services.

The draft is fuzzy and vague, particularly insofar as it mentions the joint functions and rights of the Union and the republics. At any rate, you are left with the feeling that an argument will break out as soon as it is signed over how various articles are to be understood and what they mean.

We have all seen for ourselves that Mikhail Sergyevich knows how to compromise. This time, too, he is willing to yield, but yield the merest bagatelle if possible. You can understand his wrath if it is indeed righteous, directed at unreasonable deputies: Fools, share part so as to leave more! Whereupon, turning to the left: Confine yourselves to part to ensure that you are not left without anything at all, including, possibly, your head.

All this is, of course, merely my personal opinion. I would be glad if everything did not turn out like this. But I think what happened is by no means the final act of a drama staged by a master of political stage management—a drama that we are to witness and in which we are to participate on several more occasions.

Kalugin Links '600 Seconds' Reporter to KGB

LD2506200891 Moscow Russian Television Network in Russian 1700 GMT 25 Jun 91

[From the "Vesti" newscast]

[Text] Former KGB General Oleg Kalugin has commented on the recent "600 Seconds" broadcast in which Aleksandr Nevzorov presented to television viewers excerpts from a secret speech by KGB head Kryuchkov to the Supreme Soviet. In Kalugin's opinion, access to this speech indicates Aleksandr Nevzorov's ties with the KGB.

Pugo Denies Existence of Top Leadership Divisions

LD2506162491 Budapest MTI in English 1541 GMT 25 Jun 91

[Text] Moscow, June 25 (MTI)—Soviet Minister of the Interior Boris Pugo denied any differences of opinion between the Soviet Ministry of the Interior, the Ministry of Defence, leaders of the KGB and Soviet President Mikhail Gorbachev. Pugo, making a statement to Hungarian journalists on Tuesday, said that the allegations claiming that leaders of the three institutions had acted against Gorbachev in parliament a week before, were a misrepresentation of facts.

"If someone interprets events in such a way, that person has a completely false picture of reality. The head of the government outlined his views at the request of parliament and spoke sharply of the present complex and tense situation. His statement was followed by a request from the deputies that the three of us—the chairman of the KGB, the minister of defense and the minister of the interior—give factual information," Pugo said. "Press reports that the three ministes and the prime minister were preparing a coup against President Gorbachev, were groundless," Pugo told Hungarian journalists.

At the same time, Pugo admitted that there had been a kind of tension resulting in such a turn of events. In his view, however, "the tension, the conflict, that is, what appeared to be a conflict, were incited arbitrarily by certain forces." "It is obviously a trumped up conflict, in which certain persons and groups are eager to keep the pressure on the country," Pugo added.

Shakhnazarov Interviewed on Gorbachev, Pavlov

PM2606074891 Milan L'UNITA in Italian 24 Jun 91 p 13

[Interview with Gorbachev adviser G. Kh. Shakhnazarov by Jolanda Bufalini; date, place not given]

[Text] Moscow—[Bufalini] So, Mr. Shakhnazarov, are we witnessing a conflict between President Gorbachev and the prime minister?

[Shakhnazarov] I believe that no conflict should be perceived between the president and Prime Minister Pavlov. Such a conflict does not exist and cannot exist. Indeed, whatever individual ministers' opinions may be, they are obliged to follow the president's line. The alternative is for the president to dismiss the Cabinet and form another. So there must be no fears in this regard.

[Bufalini] So in your opinion, are there no conflicts between the president's line and that of the Cabinet of Ministers?

[Shakhnazarov] At last we are close to resolving the problems that have long confronted us. Nevertheless when it comes to privatization, destatization, ownership (what to do: whether to sell state property to enterprises or lease it), because of the scale of these issues, it is normal for there to be differences of opinion, it is normal for there to be a battle. The political framework within this battle is taking place, however, is anything but critical, however—on the contrary. We are in a period of consolidation of the president's positions: Agreement

has been reached with the republics and an early signing of the Union Treaty is entirely realistic. The text of the new treaty is virtually complete. Additional amendments or modifications will be made, but the crucial factor is the political climate. Yeltsin has said that it must be signed before the end of July, and President of Kazakhstan Nazarbayev and the others agree. In the Ukraine there are some objections connected with the republican constitution, but I believe that a solution can be found.

[Bufalini] Perhaps Prime Minister Pavlov felt that his authority was undermined by the fact that the Federal Council was presented with the plan drawn up by Yavlinskiy in the United States but not with the government's?

[Shakhnazarov] The two economic plans must be coupled together. At the time of the 500-day plan it proved impossible to find a compromise. The government's program and the economists' program took a collision course. Now political condition are such that it is entirely realistic to envisage another success. Two basic circumstances make this possible: There is no internal climate of contraposition, and there is a Western predisposition to the implementation of this plan. Valentin Pavlov agrees with the need to make a collage of the two plans, and Yavlinskiy too says that common solutions must be found. I am optimistic. Conditions are right for advancing along the road to reforms. It will be a busy working month, and President Gorbachev will go to London, to the G7 meeting, on the basis [apparent word drop] having consulted the republican leaders within the Federal Council.

[Bufalini] You maintain not only that there is no conflict between the government and the president but that such a conflict cannot exist because the government is subject to the president's will. Nevertheless the impression is that Pavlov's requests to the Supreme Soviet have been backed by conservative figures such as Viktor Alksnis of the Soyuz group and that they are indeed targeted on Gorbachev's policy. Is this not so?

[Shakhnazarov] No. It is wrong to argue that Alksnis and the ministers represent the same position. I repeat—because the simple fact that the ministers must do what the president says. Irrespective of their opinions. Alksnis, however, has no obligations toward the presidential government and is entitled to say whatever he thinks.

t] [Bufalini] Nevertheless the statements by Alksnis and the Soyuz group do coincide with the alarm sounded by Defense Minister Yazov and KGB Chairman Vladimir Kryuchkov about the situation in the country.

[Shakhnazarov] I would not say so. All they have in common is concern about the situation in society. For instance, Alksnis wrote an article about South Ossetia. The situation is indeed terrible; there are casualties and injustices. Central government has proved unable to resolve it. The disagreement is over what solutions to adopt. I believe that a political solution must be found and that the ministers responsible must act. Alksnis, however, wants to proclaim a state of emergency, extraordinary measures. Such options would inevitably lead to a bloodbath. No, I do not believe at all that Alksnis' positions are shared by the Cabinet of Ministers. Among other things, the quest for a political agreement pursued by Gorbachev is yielding fruit. Georgian President Gamsakhurdia has requested a conversation with Gorbachev. A similar request has come from the Armenian president, and some proposals have come from the Baltics too.

[Bufalini] But, after all, Prime Minister Pavlov did ask the Supreme Soviet to extend his powers. If there is no disagreement, what is the problem?

[Shakhnazarov] It is a request that stems from imperfections in the constitution. On the one hand the president is the head of the executive and on the other the Cabinet is answerable to Parliament. I believe that Pavlov was wrong to present a technical institutional matter to Parliament. For that matter, he himself admitted, in his explanation to Gorbachev, that he had acted too hastily. Be that as it may, the prime minister acted within the context of a structure that has demonstrated its weakness and that will soon be changed.

[Bufalini] My last question is on an entirely different subject. What do you think of Shevardnadze's proposal to create a party parallel to the CPSU?

[Shakhnazarov] I think Shevardnadze's idea is to found a social democratic-type party on the basis of the CPSU. I believe that it is necessary now to concentrate on entirely restructuring the CPSU and that a further attempt to expel the democratic forces within the party is dangerous. My sights are set on a reform of the entire party.

Gorbachev Consents to Entrepreneurship Council

LD2506193291

[Editorial Report] Moscow Central Television Vostok Program and Orbita Networks in Russian, in its "Vremya" newscast at 1530 GMT on 25 June, carries a two and one half minute report by correspondent S. Medvedev on the first all-Union conference devoted to problems of entrepreneurship. The conference opened in Moscow on 25 June, at the initiative of the scientific-industrial union. According to Medvedev, economists, businessmen, and parliamentarians from all 15 republics met to map out the main policy guidelines for promoting entrepreneurship as the most hopeful means of getting the country out of the crisis.

Medvedev questions Soviet economist Leonid Ivanovich Abalkin about the apparent contradiction between economic stabilization and the creation of market conditions and asks how will market conditions be established in the Soviet Union. Albakin replies that a "new wave of entrepreneurs" must be promoted throught the creation of "a public council attached to the president of the

USSR." Such a council would represent a "natural strategic alliance of authority and entrepreneurship." He adds that "I proposed this to Mikhail Sergeyevich and he agreed to the idea."

Alleged Deputies Uprising Reported

LD2506223391 Moscow Russian Television Network in Russian 1700 GMT 25 Jun 91

[From the "Vesti" newscast]

[Text] [Announcer Yuriy Rostov] Hello, the main subjects today are the continuing mutiny against Gorbachev by the conservatives and the probably forthcoming split in Yugoslavia tomorrow.

The main subject of the attack by the right-wingers at the present time is the union treaty. They have sufficient votes in their hands to convene an extraordinary congress of people's deputies of the union, which probably casts doubts on the accord reached in Novo-Ogarevo by the nine republics and the center. Since last week, when Prime Minister Pavlov was unable to obtain extraordinary powers circumventing Gorbachev, the conservative forces have in my view united. Beside the second echelon to which Kryuchkov, Yazov, and Pugo belong, who were acting in a synchronized manner with Pavlov last week, there is now a coalition of those who are speaking out in favor of convening an extraordinary congress of people's deputies and a congress of the CPSU. The choice of paths that is at last drawing near, along which the economy of our country will move is at the present time approaching an acute conflict, in the course of which the right-wingers will probably resolve upon the task of neutralizing the Soviet president as well.

[Correspondent Sergey Dorenko] Gorbachev managed to achieve the Novo-Ogarevo accords on the organization of the country with such difficulty that last week criticism showered down on him on the part of those supporters of the socialist choice who do not agree with the new role of the republics.

The deputies' association Soyuz has not failed to pay attention to the words of Gorbachev and is preparing for the convocation of an extraordinary congress. For the moment the president's apparatus regards this activity with outward calm.

[Begin recording of Ignatenko, head of the presidential press service—identified from caption] I don't know what—even some kind of collecting of signatures exists. But we will wait and see. Let the deputies of the Supreme Soviet themselves express their view, and not the representatives of the Soyuz group. [end recording]

[Dorenko] There are already sufficient signatures for a congress to be convened, but more than 1,000 votes are needed to punish Gorbachev in a qualified manner, and work among deputies is continuing. The Soyuz group is most irritated by the Novo-Ogarevo redistribution of power in the country in favor of the republics. The conservatives see the new union differently.

[Begin recording] [V. Alksnis, co-chairman of the Soyuz group—identified from caption] The real (?functions) of the state—yes, obviously those of the supreme soviets of the republics. We shall have a (?state). It will not have the functions and powers that it has today. Further, they will obviously be occupied with their own individual issues, but issues concerning purely issues of local self-government, internal republican issues.

I hope that you do not think that I am a Stalinist. I recently read with amazement that in September 1922 when Stalin was speaking at a session of the Politburo of the Communist Party he stated, in September 1922, that if the Leninist concept of the USSR were to be implemented then confrontation would start between the supreme bodies of power of the union and the supreme bodies of power of Russia. That would lead to the collapse of the USSR. [end recording]

[Dorenko] Today the republics are hardly likely to agree to forgo their sovereignty. Gorbachev understands this, and the conservative deputies in parliament are ready to part with him.

[Begin Alksnis recording] There is nothing he can do about it. that's why he has to go. [end recording]

[Dorenko] Thus, the conservatives are no longer hoping that Gorbachev will become more right-wing and are thereby urging him into closer cooperation with the republican governments. Sergey Dorenko. Russian TV "Vesti."

Yakovlev, Shevardnadze Alleged Planning New Party

LD2506201491 Moscow Russian Television Network in Russian 1700 GMT 25 Jun 91

[From the "Vesti" newscast]

[Text] As reported today by the Japanese newspaper YOMIURI, on Wednesday [26 June] Aleksandr Yakovlev, Gorbachev's adviser, was to have officially announced that he is leaving the CPSU. Then he, together with Shevardnadze, intends to create a new party with a democratic direction. As we were told by Yakovlev's staff, he is in the hospital at the present time. They could not confirm or deny the YOMIURI report for us.

Abalkin Says Western Aid Resources Insufficient

LD2506182391 Hamburg DPA in German 1547 GMT 25 Jun 91

[Text] Moscow (DPA/VWD)—Western financial aid for the Soviet Union only has a purpose if the country develops alternative economic structures. According to a report by the Soviet news agency INTERFAX today the Soviet economist, Leonid Abalkin, said this at an economic conference in Moscow. Abalkin, who is also a

member of the expert group preparing the trip of President Mikhail Gorbachev to the western economic summit in London, said that "no western resources would suffice to solve our economic problems." According to Abalkin, Soviet national income sank by 11 percent in the first five months of this year. Industrial production dropped by 5.6 per cent in this period, product circulation by 10.6 percent and foreign trade by 32.3 per cent.

Abalkin described the breakdown of the financial system as the "most threatening" sign of the economic crisis. This means the deficit of the state budget has already increased to 32.3 billion rubles [R] in the first five monthsof the year]. A deficit totalling R27.6 billion is planned for 1991. In the budget system, uniting the Union budget with the budgets of the republics, a deficit of R52.1 billion is planned for 1991. According to estimates the deficit will now amount to up to R240 billion.

Yakovlev Urges Western Aid to Speed Change

PM2506154291 Moscow MOSCOW NEWS in English No 22, 2-9 Jun 91 p3

[Article by MOSCOW NEWS Chief Editor Yegor Yakovlev: "Courting the Magnificent Seven"]

[Text] Our next issue will carry a document worked out in cooperation with the US-based Hill and Knowlton company. It's entitled: "Partnership for Progress". In a nutshell the document lists what the USSR would like to get from the Seven—namely, Western capital and companies to bolster the development of market relations in the Soviet Union.

The main thing is that it's a new approach: rather than negotiating new loans which would arbitrarily be used by our country's leaders, we'd like to receive aid in the forming of a new socioeconomic system for this country.

But are our leaders ready for this? If we take an optimistic approach, and judge by certain steps taken by our leaders, then the answer is yes. Speaking at a press conference with Giulio Andreotti, Mikhail Gorbachev confirmed that the Soviet side is interested to participate, this July in one form or another, at the meeting of the Big Seven. With a team of their American colleagues, Grigoriy Yavlinskiy and his group are completing work on a 25-page document mapping out the Soviet Union's transition to a market economy and this will be submitted to Mikhail Gorbachev and the leaders of the seven. Yevgeniy Primakov, according to George Bush, is "Gorbachev's special emissary", and he is currently in Washington. With Primakov's help the US President wants to conceive "new ideas" on the Soviet economic reform". He wants to see Soviet proposals "without leaving the door either open or shut"—the door towards the Seven.

We badly need this door open. We want to lower the prices on our home market, but we need commodities to do that. We hope to introduce convertibility for the rouble, but we need hard currency to ensure that. But our country has neither commodities nor hard currency. As we try to launch the national economy into a new orbit, we need the launching punch, but we no longer have it. I believe the only chance to overcome the current collapse of our nation's life-support systems is support from the Seven and huge cooperation with Western companies.

Can we count on help from the developed world? Yes, we can, if the Soviet leaders discard their delusion that they can "get only slightly pregnant". If we learned anything from perestroika, it's that we can't hook the country on the global economy and continue to progress along our own special sideline. The world economic community will invest its capital only in real reform: consistent privatization and a resolute transition to a market economy. We've got to voice our commitment to this course out loud, otherwise, the Big Seven will be fruitless.

What's more, we need at least minimal political stabilization in the USSR. Therefore, the beginning of the new plan of cooperation must coincide with the signing of the 9 Plus 1 agreement, which represents a reasuring step on the road toward a Union Treaty of sovereign states.

But let's not delude ourselves. The first reaction to the signs of accord has turned out in the form of provocation. Not future provocation, but the type taking place today. Bloodshed and brutality on the Azerbaijanian-Armenian border, and an unexpected explosion in the Democratic Party headquarters located on Moscow's Staromonetnyy Pereulok. The incident very much reminded us of what took place in Riga several months ago: perfect timing and a professional job performed by a culprit who couldn't be found. When the bad news from the Baltics ebbed, the riot police (OMON—ed.) got an order to assault the customs offices along the Lithuanian and Latvian border. The USSR President and the USSR Minister of Internal Affairs claim their innocence. Or was it inspired by the hero of the Panoptikum TV programme, Aleskandr Nevzorov, who has flames blazing during another of his programmes—the 600 Seconds news show? The latter reminds me of a Ku-Klux-Klan bonfire. Did he order bandits clad in a Soviet uniform to play havoc?

Whenever bloody riots happen in our country, the public wonders: where was the president when this happened? No one ever finds out for sure. But Gorbachev has never used his powers to discourage those who are ready to spill blood in order to destabilize the situation in the USSR. It's a real shame he's never done that. The economic prospects opening up now represent a last change for Gorbachev as well.

After the "winter of discontent", we're entering a summer of hope and expectation. We had a similar situation last year when the advance of summer coincided with the start of the battle over the 500-Day Programme. That battle was lost because Gorbachev, as

always, when attempting to avoid obstacles, tried to match the unmatchable. He was acting, presumably, on the assumption that one is better off by being overcautious and never inviting trouble.

Yanayev Interviewed on Ways Out of Crisis

AU2506142191 Hamburg DER SPIEGEL in German 24 Jun 91 pp 152-160

[Interview with USSR Vice President Gennadiy Yanayev by Fritjof Meyer and Richard Kiessler in Bonn; date not given: "Come and Buy"]

[Text] [DER SPIEGEL] Gennadiy Ivanovich, Russia is no longer ruled by Communists. How do you like that?

[Yanayev] The point is not whether I like it. I respect the decision of the people who voted for a man who once belonged to the Communist Party and left it. Gorbachev and Yeltsin agree on the main strategic directions of the developments in our country, on the cardinal issue of perestroyka. There might be differences in the tactical approach to individual problems, but this is correct.

[DER SPIEGEL] On what do they agree?

[Yanayev] Both are in favor of continuing the process of democratization in the country. Both are in favor of the renewal of our federation; this has been proved by the agreement of the nine republics and the Union. And they are both in favor of the market economy and privatization or, as we say, denationalization. Finally, both are in favor of far-sighted foreign policy, which has already yielded such good results all over the world—not least the reunification of Germany.

[DER SPIEGEL] They were not so much in agreement in the past.

[Yanayev] They were, but perhaps sometimes one or the other insists too much on his approach to a problem being the only correct one. Yeltsin represents the radical wing in implementing perestroyka. If a symbiosis of the two paths, of the radical method and the centralist position, takes place, this will have very fruitful results.

[DER SPIEGEL] The Russian president is very strong, elected by the people...

[Yanayev] If these two presidents—and also the presidents of the other republics—let themselves be guided in what they do, and what they do not do, by the interests of the people and not by personal ambitions, we will be able to achieve a broad and solid national consensus. Only in this way can the very painful process of the final transition to the market economy, which is linked with very unpopular measures, be made easier to some extent. Therefore, I would like to warn against making Yeltsin out to be a kind of political Mephistopheles. We will find a common language in the end.

[DER SPIEGEL] Gennadiy Ivanovich, if Mikhail Gorbachev cannot do his job—for whatever reason—you are...

[Yanayev] Stop, let us hope that this is a very hypothetical question.

[DER SPIEGEL] Anyone could suffer from lumbago at some point. Would you then be the most powerful man in the USSR.

[Yanayev] Most powerful man—I do not like that. According to the Constitution, I substitute for the president if he is absent or unable to carry out his duties.

[DER SPIEGEL] Gorbachev has entrusted himself with many powers, which you would then have.

[Yanayev] Power means: I am a poor devil because then I would be so busy.

[DER SPIEGEL] You would be the acting president then.

[Yanayev] Correct. But also when the president is on a trip abroad, I perform those functions that he cannot during his absence.

[DER SPIEGEL] When he is in London in July and there is trouble in the Baltic states, you might issue a harsh decree.

[Yanayev] The Baltic states is a topic that deserves to be tackled seriously. We want the Baltic problems to be solved exclusively on the basis of the Constitution. We will force neither Estonia nor Lithuania, nor Latvia, nor Georgia into the new union, not under any circumstances. We will respect the people's will. However: The new rulers there all too often abuse the wave of emerging nationalism.

Mr. Landsbergis, for instance, understands this as him sitting on a white horse in Lithuania, which unfortunately looks like a Trojan horse to some non-indigenous groups of the population. The rights of the Russian-speaking population are violated.

[DER SPIEGEL] When Gorbachev travels abroad...

[Yanayev] ...the vice president will not attempt any strong-man acts in the Baltic states or anywhere else.

[DER SPIEGEL] And what do you do when the president is here?

[Yanayev] It would be easier for me to mention the area that I do not have to deal with. I work in the Federation Council and in the Security Council. This involves questions of nationality policy and direct cooperation with the Cabinet.

It has been agreed with Mikhail Sergeyevich that I claim two important areas for myself: food supply and supply

of pharmaceuticals. These two areas I have appropriated for myself, so to speak, with the approval of the president.

[DER SPIEGEL] These are currently the most difficult areas.

[Yanayev] If it were possible to choose what we liked, we would probably not have made much progress. A great number of draft laws, which are presented on behalf of the president, must be worked through, must be exactly defined. For this one needs a number of consultations with various experts. And then these draft laws are presented to parliament.

Finally, under the leadership of the vice president, we are in the process of establishing a Control Committee. It is intended to supervise the implementation of presidential decrees and also of regulations issued by the government. Furthermore, matters of protocol create a lot of work; receiving credentials, receptions, farewells. Thus, I do not have time to be bored.

[DER SPIEGEL] What are your relations with the president like? Do you see him often, does he consult you? Or does he make decisions alone?

[Yanayev] We meet at least twice a day in order to discuss current issues, and we are in virtual permanent telephone contact. This applies to all areas of our work—domestic policy, as well as foreign policy.

Gorbachev is one of those heads of state who are very well able to listen to other opinions. Moreover, he also takes these other opinions into consideration when he makes a decision.

[DER SPIEGEL] Then you are not only his deputy, but also his constant adviser.

[Yanayev] Yes. It is not in his nature to be authoritarian.

[DER SPIEGEL] How long have you known him?

[Yanayev] Personally for three years. When I was trade union chairman, I saw him regularly at Council of Ministers meetings and in the Supreme Soviet.

[DER SPIEGEL] The president also has another body to advise him since the Presidential Council does not exist anymore. Does Aleksandr Yakovlev still play a role?

[Yanayev] New structures are the Federation Council and the Security Council. In addition, there is of course a presidential apparatus and the group of the president's advisers. Aleksandr Yakovlev is and remains an adviser on general political issues. Thus, in addition to the president, he is in the vanguard of perestroyka. Any claim that he withdrew voluntarily or that there was some pressure on him to do so is not true. If he is not busy accepting an honorary doctorate from a university in the West, he advises the president.

[DER SPIEGEL] If the party's Politburo adopts a resolution—is the president bound by it?

[Yanayev] The law and the Constitution are binding on the president. Resolutions of the CPSU Politburo are recommendations. After all, the Constitution is the supreme Politburo for our president.

[DER SPIEGEL] But he is a member of the CPSU and even its general secretary. And he is not supposed to be bound by the Politburo resolutions?

[Yanayev] First and foremost, the president's task is to choose from among a number of various proposals one which seems to be acceptable to him, without giving a certain party or group any priority.

[DER SPIEGEL] Yes, but what, then, is the role of the CPSU, the most powerful and best organized political force in the country?

[Yanayev] It is the ruling party. I consider myself fortunate to have given 30 years of my life to this party. I hope to be able to continue to do so. The party is working out the main directions of the political strategy in the country. Communists, who are working in various spheres, should strive to implement the resolutions adopted.

[DER SPIEGEL] Does this also apply to the resolution on the introduction of the multiparty system that will deprive the CPSU of its monopoly?

[Yanayev] Yes. We discussed this at the 19th party conference and then at the 20th party congress last year. It was also the party that adopted the basic resolution on the transition to the market economy. With this it determined the principal strategic direction. In order to implement this resolution, the party is organizing the activities of the Communist deputies in the Soviets and the representative bodies at all levels.

[DER SPIEGEL] What will happen to the party if non-Communists head the communities in the Russian Soviet Federated Socialist Republic, and the Politburo no longer adopts any binding resolutions?

[Yanayev] To put it mildly, the party is not going through the easiest period in its development at the moment. In 1985, when perestroyka was started from above, preparing the entire party for that in political, psychological, and sociopolitical terms was neglected.

In the romantic storm and stress period of perestroyka, we did not clearly diagnose the illness in our society. Surgeon Gorbachev ordered the sick man onto the operating table and sliced his belly open, firmly convinced that he was faced only with an inflamed appendix. Suddenly he saw something far, far more serious.

At the beginning we misled the people with the illusion that these serious defects could be cured in two or three years. But there are no miracles—neither in politics nor in the economy.

[DER SPIEGEL] Now the party has to pay for that.

[Yanayev] Now we are bidding farewell to illusions. The man in the street logically blames the party. And therefore the party's authority is declining.

We knew the political level of our population all too well. For 70 years it had been oppressed. We do not have any democratic tradition, in contrast to the West. Thus, we could hardly be expected to know that after the introduction of freedom of opinion many people would immediately confuse democracy with anarchy; we could hardly assume that there would be nationalistic uprisings in many areas. We should have foreseen that. But we did not.

[DER SPIEGEL] Anarchy is only one of the dangers for the country. The other is a trend toward dictatorship and militarization of the economy. In the past this was called Trotskyism. You wrote your doctoral thesis on the topic "Trotskyism and Anarchism." Which is the greater threat—Anarchism or Trotskyism?

[Yanayev] Both are equally great. Now we already have 80 million people who are living at subsistence level. If we do not find a relatively acceptable social model for the transition to the market economy, and we are not able to dampen the negative social effects of these processes, things will be bad. Because then we can also expect 30 million unemployed by the end of the year. This is social dynamite, which might explode at any moment.

[DER SPIEGEL] Will a military dictatorship come then?

[Yanayev] It does not correspond to our tradition, and we should also not overestimate the role of the military-industrial complex. The Army supports perestroyka and Gorbachev's policies. We also know the mood in the key enterprises of the arms industry. However, there is still a certain military overheating in our economy. Therefore, by taking into consideration the experiences gained all over the world in this area, we should increasingly convert the military industry to peaceful production.

[DER SPIEGEL] When will you start to reduce arms expenditure, to give priority for the first time to goods that are needed by the masses and to agriculture?

[Yanayev] We have already begun. About half of the production of the former and current military enterprises consists of non- military products, consumer goods. But we are still not doing this right.

For instance: The enterprise which produced the SS-20 missiles on the assembly line is a highly developed high-tech enterprise with highly qualified staff. In order to convert this enterprise, those responsible did not come up with anything better than the idea of producing children's bicycles.

[DER SPIEGEL] Boris Yeltsin wanted to introduce capitalism within one and a half years. After his victory, does the market economy now come as a shock, as in Poland, and no longer carefully and slowly, as was advocated by Yeltsin's opponent Nikolay Ryzhkov, the former prime minister?

[Yanayev] The faster version will come. We have decided to make the ruble convertible with hard currencies inside the Soviet Union as of 1 January. With this we burn all bridges to the old command economy.

[DER SPIEGEL] Then you will no longer be able to print rubles just as you please. At the current ruble exchange rate, one could buy up the entire country with dollars.

[Yanayev] In order to eliminate dangers, we need western support for stability, a minimum of help.

[DER SPIEGEL] Do you not place too much hope on help from the West? Over the past two years, the Germans have done or promised more than can be expected form other Western states: more than 60 billion German marks in loans and aid. This sum has so far not shown any results. What will you do using your own strength?

[Yanayev] We are realists. What we need now is help to help ourselves. In the past we simply took everything, knocked on all doors—committed and uncommitted loans. What for? We used everything for consumer goods, bought panty hose and detergent, instead of stimulating our own production capability with this money.

[DER SPIEGEL] What do you need and what for?

[Yanayev] President Gorbachev is not going to the G-7 summit of the industrial countries in London to pick up loans, neither committed nor uncommitted ones, but to present a specific program of the Soviet Union's transition to the market economy, which he will explain in detail. He will present proposals which will be as beneficial to the West as to us: namely, investments.

[DER SPIEGEL] In a ruined national economy?

[Yanayev] In the infrastructure, in very specific projects of transportation and energy—gas and oil production—in the communications and information systems, and in the conversion of arms production to consumer goods production. Finally, in small and medium-sized enterprises for the processing of agricultural products. The state of affairs in which up to 40 percent of the harvest in our country is lost must be ended.

[DER SPIEGEL] Domestic sloppiness?

[Yanayev] The reason is that the inability to act economically is in our blood. We have absolutely no economic structures for refinement and sale of our agricultural products. Our roads and railroads are completely ruined.

[DER SPIEGEL] What can the West do so that the grain does not rot in the fields or that armies of factory workers, public servants, soldiers, and students have to go to the fields because there is a lack of farmers?

[Yanayev] We have started talks with a number of foreign companies to build small silos in every administrative district, and sausage factories, dairies, and canning factories in every region.

[DER SPIEGEL] But how will the produce get from the fields to the factory?

[Yanayev] Each kolkhoz has at least 20 trucks. There is a difference depending on whether they have to go 30 km or 300 km to the next large silo, and not on a German highway but on a Russian road. If one has to transport cattle 500 km to the next meat combine, a large part of the live weight is lost on the way.

[DER SPIEGEL] Because the deliverer does not own the goods, he does not earn anything, and, therefore, is not interested in them. Why do you not want to allow the peasants to own their own land?

[Yanayev] For the time being, we have decided the only right thing is to lease the land for free and forever. But we are not granting the right to sell the land, because this leads to speculation. Because it is not the peasants who buy the land—they do not have the money to do so—but people who have gained their money illegally.

[DER SPIEGEL] No one buys agricultural land for any other purpose than to use it.

[Yanayev] Tell that to the marines! Furthermore, most peasants have forgotten agriculture, we say: They are depeasantised [entbauert].

[DER SPIEGEL] But those who can and want to also only get a lease on the land.

[Yanayev] In a country with 300 million inhabitants, who have been taught stereotypes of defective thinking, we must not be overly hasty with something like that. Even with a lease, there are not many who would be willing to take over 100 hectares.

[DER SPIEGEL] What about private property in industry?

[Yanayev] We are for all kinds of ownership. In the large enterprises, the staff may buy parts of their company in the form of shares.

[DER SPIEGEL] They are less interested in investments than in dividends, and you have to expect a decline in the value of the shares, that is, losses.

[Yanayev] We clearly understand this risk.

[DER SPIEGEL] Why do you not permit everyone who has the money to buy shares—or are you again afraid of speculators? Or of foreigners?

[Yanayev] The staff members should have the first option to buy.

[DER SPIEGEL] Gennadiy Ivanovich, you can buy a Volkswagen share at any time. Will we be able to buy shares in the Uralmash concern in Sverdlovsk at some time in the future?

[Yanayev] (in German) Why not? Come and buy.

[DER SPIEGEL] This is indeed the most efficient form of economic aid.

[Yanayev] I am a supporter of the broadest possible privatization. But even in Poland, only seven large enterprises have been sold to private owners so far.

[DER SPIEGEL] We know these problems from the former GDR. Do you also want a trust agency?

[Yanayev] We will cross this bridge when we come to it. The president is going to London to integrate our national economy into the world economy; the faster the better.

[DER SPIEGEL] In view of the disaster that is predicted, you do not have any more time.

[Yanayev] Neither do you. Political and military security are unthinkable without economic security. What will happen to Europe if there is a social explosion in our country? If the waves of unemployed overwhelm Western Europe? Do you then perhaps use the Bundeswehr?

[DER SPIEGEL] Gennadiy Ivanovich, thank you for this interview.

Diverging Views of Gorbachev Pondered

PM2506141191 Moscow PRAVDA in Russian 24 Jun 91 Second Edition p 2

[Article by Anatoliy Karpychev under the "My Opinion" rubric: "Understanding Gorbachev"]

[Text] I do not doubt that the wish for readers to "understand Gorbachev" will either irritate a section of them or cause them to protest. Protest at the author too. I know this, but nevertheless I ask you to remain calm. Yes, the times the country is living through are hard; yes, the "credit" of confidence has been exhausted; yes, the president bears most tremendous responsibility for the destiny of the country and the people. And yet he does not renounce responsibility. He continues to pull the "cart" despite the political storms raging around his person, the emotional outbursts, and rebukes which are sometimes plainly unjust.

Thank God, the president has sufficient self-possession to rise above ambition and to assert both freedom of speech and differences of opinion in society not just in words but using the example of his own openness to criticism. At the same time he asks perfectly democratically (and tactfully) to be understood. It has never happened that general secretaries have asked to be understood. People used to be quick to "understand"

general secretaries without being asked, for otherwise slow-witted people lost a great deal.

To understand! What, you might think, could be simpler... And here I will permit myself to turn to M.S. Gorbachev's Nobel lecture in Oslo, where he asserts something that might seem elementary, namely: How important it is to understand each other and, having understood, to believe and, having believed, to do business.

The shortage of understanding and concord is our misfortune today. This shortage is evidently inevitable when the old and the familiar collapses and the new is only coming into being. The Italian newspaper LA REPUBBLICA wrote in this regard: "The initiator of perestroyka used the 'stage' in Oslo to remind people of all the phases of his difficult, reforming path: By giving a sincere and at times even relentless account, in point of fact, of his own autobigraphy, he wanted to be understood by the surrounding world and maybe by his own people."

To be understood in one's own home, above all, by one's own people, is a truism for any politician. M.S. Gorbachev is no exception. And he admits in his Nobel lecture:

"In agreeing... to accept the essentially highest state post of general secretary of the CPSU Central Committee, I realized that I could not go on living like that and that I would not allow myself to remain in that post if I were not supported in the implementation of cardinal changes. I realized that I would have to go a very long way. But, of course, I could not imagine the whole enormity of the problems and difficulties. Not that anyone could have foreseen and predicted them at that time, I believe."

There is a saying: Whoever mentions the past is ignored. All the same, I will risk doing this, for there are useful lessons for the future concealed in the past. It is well known that in February, before being elected president of Russia, B.N. Yeltsin announced from the television screen: Gorbachev is deceiving the people. In Oslo M.S. Gorbachev would say: There was a great temptation to leave everything as it is and to engage in cosmetic repairs, but that would have meant continuing to deceive myself and the people. And he would also say: The country has been kept from great bloodshed.

When I recall the spring confrontation that was experienced (to the end?), I cannot help thinking: If our presidents, and we have many of them now, again start suspecting each other of "deceiving the people" and if there is no understanding and concord among the Supreme Soviets, we will hardly emerge from the crisis quickly. And no markets or privatization will help here. I have always thought: What could be simpler than to sit around the same table in Novo-Ogarevo, look each other in the eye, and... discuss everything? Argue, disagree, and find paths to understanding. The historic opportunity lies in concord, not in discord. Today I see it with a "plus" sign. "Nine plus one," for example. People talk about concord, peace, tranquillity, and stability. They want tranquillity, not blood and forgetfulness.

In his Nobel lecture the prizewinner mentioned much of what we are slowly forgetting. Opportunities with a "plus" sign.

When we criticize Gorbachev, we frequently forget that society before April 1985 failed both economically and intellectually and that the least dissidence and protests against the monopoly of the party apparatus were suppressed. You probably noticed that in his lecture the Nobel Prize winner called the post of general secretary the "highest state post" and not a party one. The fear was still more terrible. The majority of people considered protests by honest people to be counterrevolution and slander. We forget that precisely Gorbachev "brought in" new people whom society had not known prior to perestroyka (true, some have now renounced him). And it seems to me that he is warning new people who strive for power: Life is richer than any schemes, and it takes cruel revenge for their forcible imposition, even if this is done with good intentions.

We have many intentions, and not just good ones. Sometimes I am struck by something else, namely the "gray" self-assurance of certain "statesmen," which will bring us many more misfortunes if they are not checked. While he is surrounded by a mass of people every day and open to the whole world, nevertheless Gorbachev remains an enigma to many people. And so some consider him indecisive, others too soft. It seems to me that it is possible to "rebuke" him with... excessive credulity, which he manifests even when either "democrats" or partycrats set traps for him. The latter again seem to be starting a campaign to remove him from the post of general secretary. Such information has come from Chita. Some people there even intend to expel him from the party.

PRAVDA's foreign contributors ask our people to be patient, to help Gorbachev, and to give him time for the reforms. "I am sending this letter to cheer up your general secretary (president), for whom I have the greatest respect," Sigmund Hovmoen of Norway remarks. "The Soviet Union and its enlightened leaders play an extremely important role in our world..." "I hope that the present situation, which is inevitable for profound changes, will not have too demoralizing an effect on you and that you will work persistently to create a better life," the American woman Pat Cutting writes.

I could cite more, if it were not for one circumstance: It angers some of our readers that the West thinks well of Gorbachev. They believe that he should be thought ill of. Strange logic. It has proved far more difficult to "be understood" in his own home. Incidentally, there is also a problem in the West, which I call "understanding Gorbachev." The West thinks in a slightly different way

from us, and it rejects everything that does not correspond to its ideas. The Nobel Prize winner was forced to speak about the problem of understanding, if you like, in its global aspect.

"I began my book about perestroyka and the new thinking with these words: 'We want to be understood.' And this seemed to be happening already. But I now wish to repeat these words yet again, and to repeat them here, from this world rostrum. Because it has not proved easy to understand us properly, in order to believe. The changes are too great. The scale and quality of the country's transformations are such that thorough reflection is needed. It is futile to measure perestroyka with the usual concepts."

Calm, unbiased reflection is also needed to understand the whole content of the Nobel lecture—from the biographic aspects to the formulation of political, philosophical, and moral problems. The lecture seems to have proved a tough "nut." In Oslo journalists attempted an "initial assault" on it, but there was not enough time at the news conference for this.

There is insufficient time for a lot of things. It is time, for example, to decide how to behave with regard to the Soviet Union. In real matters. A very great deal in world politics too depends on a correct assessment of what is happening at this stage in our country. This too is in the lecture. Now and in the future. For not only the Soviet Union needs perestroyka.

In my opinion, politicians have this understanding. It has been expressed in movement toward each other.

I will briefly recall some landmarks in the East-West movement last year, which embodied the necessity of perestroyka for peace. There was the London NATO conference and the session of "the seven" in Houston, then there was Paris, inheriting the traditions of Helsinki, and there was the Paris charter. This was the apotheosis of the movement toward each other. The world will never forget the end of the "cold war." But—a paradox of fate—the hot war began in the Persian Gulf. It was as though nothing had changed in the general trends of the movement toward each other, but nonetheless something was different... Someone even remarked: After the "cold war" a "hot peace" might begin...

I noticed how the author interprets the word "peace" in his Nobel lecture. In the canons of world religions and the works of philosophers the concept of peace implies concord, harmony, mutual assistance, cooperation. A "hot peace" after the "cold war" is a nonsense, for this is not what we were striving for. What then?

I believe that the movement toward each other provides the answer. It was a vivid sign of the first steps of the new thinking. It prepared the ground for concerted actions by East and West. In the economy this can be expressed in a revision of the new role of "the seven" as an instrument for combining politics and economics and as a powerful lever for influencing the processes of economic cooperation, including with the Soviet Union and the countries of East Europe. Naturally, without an ultimatum. But why should "the seven" not be made "the eight"?

What is humiliating here for the "heavyweights club"? If we wish perestroyka success and are interested in peace and concord, then is it worth very zealously protecting the ideological "purity" of our organizations from countries which used to be on the other side of the curtain? It is impossible to attain a new level of cooperation, sincerely think about the new world order, and hold on to the old. The agreement of the "seven plus one" will make it possible, first, to "set in motion" the countries' united assistance for the USSR, which is being renewed, and, second, through Japan it can involve a number of countries in the Asian region in economic cooperation with us.

In his Nobel lecture M.S. Gorbachev speaks precisely of a postconfrontational order. The West needs to restructure itself. Incidentally, one Soviet newspaper decided to wound Gorbachev: He has not completed perestroyka in his own home, it said, but is already calling for perestroyka throughout the world. The newspaper evidently failed to realize that it is not Gorbachev who wants this but the logic of East-West rapprochement and of the development of the world process.

Through rapprochement we are moving toward a new world order. This idea is cherished also by President Bush. Incidentally, the U.S. press has noticed the similarity of the presidents' searches and the closeness of their positions. But there is also a difference. We are moving toward a new world order through a balance of interests, through understanding and trust, whereas motifs of a position of strength and a combat spirit are to be heard in the U.S. President's concept aired since the victory in the Persian Gulf. But this will evidently pass.

I wish to point out that the Nobel lecture is not the fruit of reflections on this particular occasion... A number of its points and philosophical approaches were enshrined in the speech which M.S. Gorbachev delivered to the United Nations in 1988. It continues the concept of the new political thinking and deepens it in the light of what has been experienced.

The answers to the hardest questions still lie ahead of us. And once again the question arises: How will the president behave? This is natural. So as not to return to it, I will cite Gorbachev's words:

"As regards the principled choice, for me this question was long ago decided finally. Nothing, no pressure either from the right or from the left, will ever dislodge me from the positions of perestroyka and the new thinking. I have no intention of changing my views and convictions. The final choice has been made.

"The interests of society must unconditionally be placed above party, group, local, departmental, and any other private interests."

In my opinion, this is quite sufficient to understand the most important points about Gorbachev.

Gorbachev's Supreme Soviet Speech Viewed

PM2506164991 Moscow KOMSOMOLSKAYA PRAVDA in Russian 22 Jun 91 p 1

[Article by S. Sokolov: "The Prime Minister and the President Have Promised to Live in Harmony"]

[Text] Yesterday A. Lukyanov told the following joke:

"One soccer fan in the Odessa Stadium said to another: 'Why are you talking to them, haven't you got any hands?' That is what is happening here," Anatoliy Ivanovich concluded, quite obviously alluding to the recent aggressive speeches by "Soyuz" group members.

But the leaders of the "Soyuz" deputies group did not feel like laughing. And they were put out not so much by Lukyanov's parable as by the speech made in the morning by the USSR president, in which for the first time in the whole history of his rule M.S. Gorbachev used the phrases "they impute to us" and "political ambitions" not with respect to the interregional democrats and others but apparently with respect to the "holy of holies"—the "Soyuz" group. "Comrade Alksnis and Comrade Blokhin are busy destabilizing the situation, they are hindering collaboration between the Supreme Soviet, the president, the Cabinet of Ministers, and the republics. The Supreme Soviet should not give in to this. Public accord is needed." The president reminded his recent allies of everything: the constant attacks on Shevardnadze and his foreign policy, accusations about the anticonstitutional nature of the Novo-Ogarevo agreements, the constant sighing about the old economy, and their insistent threats and mentions that the president should live according to the letter of the decrepit constitution...

In fact, yesterday the USSR president made another decisive step to accommodate the London Group of Seven. It is not out of the question that the parliamentarians were witness to a kind of rehearsal of Gorbachev's London speech in which he announced quite clearly his intention to "accept the rules of the game" of the Group of Seven by carrying out Yavlinskiy's Harvard program within the framework of the Cabinet of Ministers anticrisis program.

And for the particularly slow-witted, at the end of his emotional monologue Gorbachev stressed: "My speech should make it clear that democracy is continuing... I feel confident..."

Parliament was clearly flabbergasted. The whole week's intrigues by certain members of the Supreme Soviet and the Cabinet of Ministers about giving additional legislative powers to the prime minister turned into a soap bubble. Valentin Pavlov, who on Monday was fervently convincing deputies that he cannot live and work properly without additional powers, on Friday was assuring everyone that they had misunderstood and he peaceably agreed to work under the president's command.

And the final touch in this picture of "continuing democracy" was the vote of the people's deputies as a result of which the draft of the odious resolution proposed by the "Soyuz" group was removed from voting. It had proposed that a "proposal on enshrining the right of legislative initiative for the Cabinet of Ministers in the USSR Constitution" be submitted for discussion at the next Congress. This time the draft did not get through. But will the president's confidence last long? Will the "framework" of Pavlov's anticrisis program not turn into a procrustean bed for Yavlinskiy's reforms? That is why I have decided to make just a short-term forecast: On Saturday and Sunday, "democracy will continue." It will be hot.

Sagalayev Warns Against Journalists Union Split

PM2506154191 Moscow IZVESTIYA in Russian 20 Jun 91 Union Edition p 6

[TASS report: "How To Solve Moscow Journalists' Problems"]

[Text] A Congress of the Union of Moscow Journalists took place 18 June at the Central House of Journalists. The congress discussed the statutes of the Union of Moscow Journalists, a directive on its auditing commission, and the statutes of the Moscow Union of Journalists Journalists Fund, which is being set up. The fund's purpose is to earn money for the needs of the union and its members.

Speaking at the congress, E. Sagalayev, chairman of the council of the USSR Union of Journalists on a confederal basis, dwelt on the statement by journalists from 12 leading mass media organizations on setting up an independent association of democratic journalists. The leader of the Council of the Union of Journalists is in principle not against a variety of forms of activity within its framework. But in the current conditions a split, he considers, "will not be to anyone's benefit, and will serve only to inflame political passions."

The creative union's long-term areas of activity must be to set up an alternative to the "Soyuzpechat" [Main Administration for the Distribution of Printed Matter] system of distributing periodicals and its own printing joint-stock society. Of course, this will require investments of many billions, but without them neither the Union of Journalists nor the press will survive in the new conditions.

At the same time as the Union of Moscow Journalists Congress a news conference devoted to the situation in IZVESTIYA's editorial office was held in the Central House of Journalists Small Hall.

Shakhnazarov Responds to Anti-Gorbachev Article

PM2506144191 Moscow ROSSIYSKAYA GAZETA in Russian 22 Jun 91 p 1

["Letter to the Editorial Office" from G. Shakhnazarov, aide to the USSR president, followed by "Commentary" by ROSSIYSKAYA GAZETA Chief Editor V. Logunov under the general heading: "Whom Does this Suit?"]

[Text]

Letter to the Editorial Office

To Comrade V.A. Logunov, chief editor of ROSSIYSKAYA GAZETA.

Dear Valentin Andreyevich! On 18 June your newspaper published a review by I. Korolkov entitled "Why Is This Happening: Is Gorbachev Doubting the Authority of the RSFSR [Russian Soviet Federated Socialist Republic] President?" The subject matter of this article evokes bewilderment.

In his television interview M.S. Gorbachev congratulated B.N. Yeltsin on his convincing victory. At the same time he noted the obvious fact that along with the 40 million-plus voters who voted for Boris Yeltsin, 27 million did not participate in the elections, unfortunately, and the rest voted for other candidates. The following obvious conclusion was made on the basis of this statement: In Russian society there are people of various convictions and positions, and a really effective policy means taking this differentiation into consideration. More than ever before the country needs accord and unity centered around the democratic reform program.

That, briefly, is the essence of what the USSR president said. He repeated more or less the same thing in his conversation following the conclusion of the Novo-Ogarevo meeting 17 June.

It would seem that nothing could be clearer. And the impression can not help arising that in his polemical enthusiasm I. Korolkov was unable to stop and interpret the serious changes now taking place in our political life. You can sympathize with a journalist who is not capable of fitting in with the development of events, but I have to express regret at this attempt and others to artificially inflame moods of hostility and confrontation in public opinion. Whom does this benefit?

[Signed] G. Shakhnazarov, aide to the USSR president

Commentary

The last thing we would like to do is to inflame feelings of hostility and confrontation both between individual strata of society, parties, and movements and between leaders. As chief editor, I am saying this not in order to brush aside the remark, but because I am aware of both the responsibility incumbent on our newspaper and the mutual security that is possible only in a stable society that is not divided by irreconcilable contradictions.

Where is the impetus of confrontation coming from? That was the question that was broached in the review by our political observer and is raised in the letter. Most often, the Russian parliament and its chairman are called the source of confrontation. Let us not close our eyes to this; it is sometimes the case. But, tell me, is it fair to condemn a man because he has to defend himself and sometimes even hit back? And after all, this also happens with the Russian Parliament and Government—they are accused of all kinds of things.

The editorial office sincerely wishes that all relations be based on decency, mutual respect, and mutual understanding of interests, without ambition. We believe equally sincerely that B.N. Yeltsin won a convincing victory at the elections and that this victory was won in the face of open rivalry. As for the number of voters who participated in the ballot and who voted "for" or "against," then surely we all knew even before the elections how heterogeneous our society is. Surely we all knew about the growing apathy and about those who are aiming to go forward and those who are trying to turn society backwards. So the fact that M.S. Gorbachev stated well known facts does not add anything. But his statement cast a shadow on his congratulations to Yeltsin on his victory. In our opinion, Mikhail Sergeyevich should not have done this. But, obviously, this is just our opinion.

In conclusion, we would like once again to assure our readers that the efforts of the editorial office will be applied to creation: forming a civil society, achieving Russian sovereignty, and creating a Union of states with high moral standards. And we believe that both leaders are loyal to this aim—Mikhail Sergeyevich Gorbachev and Boris Nikolayevich Yeltsin.

Yakovlev Response to Makashov Assailed

PM2506123791 Moscow SOVETSKAYA ROSSIYA in Russian 19 Jun 91 First Edition p 2

["Observer's Notes" article by Eduard Volodin: "Angry Humanism"]

[Text] The election campaign is behind us, and the voters' choice and the significance and consequences of what has happened remain to be analyzed. The period of compromise and of shoving responsibility onto others is over. Before us lie new events in the national-state drama, for which we are all responsible, but especially the authors and leading actors. Here I want to draw attention to one episode in the election campaign.

So, on 21 May 1991 NEZAVISIMAYA GAZETA published an interview with Colonel General A. Makashov in which he talked frankly and harshly about A. Yakovlev, former member of the CPSU Central Committee Politburo and the Presidential Council. Yakovlev's

response was written with astonishing speed and published in the very next issue of the newspaper. With equally fantastic speed, the response was reprinted in ARGUMENTY I FAKTY, which has a print run of many millions. This haste and this print run remove any question of the private nature of the correspondence—the question must be about Yakovlev's direct participation in a propaganda campaign **against** a candidate for the Russian presidency. This choice, or rather this antipathy, was determined not by the personality of the military district's commander but by the patriotic stance and program which he presented to the voters. As far as A. Yakovlev is concerned, his attitude toward patriotism was clearly and precisely expressed as far back as 1972 when, in an article entitled "Against Anti-Historicism," he showed convincingly that patriotism is the main danger to the emerging "historic new community of people" and the country of "developed socialism." Then in the perestroyka years, exchanging his steadfast Marxism of the 1950-70's for an unintelligible mishmash of Bernsteinism and occultism (see the speeches delivered during Yakovlev's triumphant tour of the Baltic region), when he was still a member of the CPSU Central Committee Politburo he told Moscow scientists that he does not waive his principles and does not repudiate a single word of his renowned 1972 article.

But there is pluralism in our country, and the recent ideological leader played a direct role in its propagation and blossoming. Some people can be patriots, others shun patriotism like the plague, and yet others have long been citizens of the world or seek their spiritual and historical motherland across the ocean, in Europe or in the Near East. They are all free and open, although consensus is still a long way off. Nor have A. Makashov and A. Yakovlev reached a consensus in this case. There is pure glasnost. And this too is pleasing in itself. After all, judging by the stylistic tone and the academic phraseology, three years ago the chief ideologist would have settled the hash of the insignificant general in such a way that the latter would have ended up, at best, in some remote garrison and would have counted himself lucky.

And all this would have been a superb example of perestroyka if the senior adviser had not uttered words sharply altering the meaning of the argument with Makashov and highlighting certain ploys in the election struggle. After recounting his combat career and expostulating about the poor country which has presidential contenders like the colonel general, the former chief ideologist wrote with a firm hand: "I ask readers' forgiveness for the harsh tone of this response (further proof that the letter was addressed to them and not to Makashov—E.V.). However, I declare that **I will protect the front-line past of any soldier in the war from any unclean hands** (the emphasis is mine—E.V.)." Such beautiful words! Now the veterans have a reliable defender. That is what I would like to exclaim, but something forces me to doubt the strength of the bastion erected for veterans by the senior adviser.

The point is that Yakovlev's previous deeds transform his loud and thundering promise into empty rhetoric.

He is in no way a parvenu. Before leaving for Canada in 1972 he spent 20 years in the CPSU Central Committee and attained a leading post in the Propaganda and Agitation Department. His experience and connections were needed by perestroyka, and perestroyka got them by promoting the current senior adviser to top posts in the party hierarchy.

It is thanks to him that key posts in a whole series of publications were filled by propaganda organizers who had been best at identifying transatlantic hate figures, glorifying the thought and image of the leader of the revolution, and defending the values born of October... That's how it was at first—they identified, persuaded, defended... But somehow, very quickly, in a coordinated fashion, they did away with the leader's image, hatred toward transatlantic enemies, and devotion to the ideals of October.

It is impossible not to see that a strategic ideological action was carried out in which mockery of the past and indiscriminate insults to military valor and honor were an important direction of assault but not the main one. The main thing was to create an atmosphere in society and ideological stereotypes which would, first, make it possible to implement the notorious conversion and reduction of defense appropriations; second, justify the motiveless destruction of our forward line of defense in East European countries; and, third, create the firm opinion that there is a need for a hired army. The army's past and the veterans' exploits were turned into small change in a large-scale political game, and this game is being continued to this day by the very same people and in the very same manner.

With that I could conclude this commentary on the senior adviser's article, but I am offended by his mention that Makashov was three years old in 1941. The retired ideological leader tries in vain to wound the colonel general in this way. We cannot determine the day and hour of our entry into this world. But since A. Yakovlev has recalled this, instead of Colonel General Makashov I will respond to him on the basis of my own experience of life. Unlike the senior adviser, I greeted the war 22 June 1941 in Kaunas at the age of 18 months. My mother told me that at the dawn of this mournful day wives and children of servicemen were evacuated from the military camp by truck. As it headed east along the morning streets of Kaunas, the vehicle was shot at from gateways by those same nationalists who were presented with a gift in the Congress of USSR People's Deputies when the existence of the nonexistent document on the Stalin-Hitler pact on spheres of influence was confirmed. They shot at the truck, I emphasize, in the morning, when they could see that inside there were only women and children who in the very first hours of the war had become its innocent victims and participants.

I am referring to my own experience, but the truth is that in 1941-1945 **the whole people participated in the war**, as anyone who was at the front, or worked in the rear, or with mute patience endured famine, cold, and the absence of their father knows. And if someone finds it convenient to forget this **nationwide** feat, this is being done for perfectly clear reasons—this country has not yet been turned totally upside down, and just the preparatory work for building a temple to the privatized individual is under way as yet. Hence the haste and bitterness.

But despite everything, we are still a great nation and we have not forgotten the past. And we know who are the heroes of war and labor, and who of glasnost and pluralism.

TASS Reviews Soviet Central Press for 26 Jun

LD2606065191 Moscow TASS in English 0559 GMT 26 Jun 91

["Soviet Press Review"—TASS headline]

[Text] Moscow June 26 TASS—Newspapers report today about the work of the USSR Supreme Soviet, which discussed several bills of vital importance for the Soviet people: bills on privatisation and indexation of public incomes.

The bill on indexation, described by PRAVDA as a shield against inflation, maps organisational-legal and economic principles for indexing citizens' incomes during rising prices for consumer goods and services.

A direct-action law awaited by the country—this is how SOVETSKAYA ROSSIYA described the bill.

President Mikhail Gorbachev and Vice-President Gennadiy Yanayev received a delegation of the Association of Japanese Parliamentarians from the Liberal Democratic Party in the Kremlin, newspapers report. Concrete aspects of Soviet-Japanese relations were discussed at the meeting.

Deputy Soviet Interior Minister I. Shilov, deputy prosecutor general and KGB Department for the Protection of the Soviet Constitutional System head V. Vorotnikov call for a return to square one in order to solve the Azerbaijani-Armenian conflict over Nagorno-Karabakh.

In an interview with PRAVDA, they said that the conflict can only be resolved at a negotiating table.

A total of 816 people have been killed and more than 5,000 wounded in ethnic strife in Nagorno-Karabakh since it started in February 1988, they said.

What is the cost of a market? Is the question discussed by economist A. Kovalevskiy in SOVETSKAYA ROSSIYA.

He believes seven social and economic preconditions are required for an efficient market in the Soviet Union.

The scholar believes it is necessary to estimate the cost of creating a market in the Soviet Union.

The estimate should have been made before economic reforms. But since it was not made, the country plunged into a crisis, Kovalevskiy believes.

Anatoliy Kapustin, director of the Soviet public fund for the protection against unemployment comments on the problems of unemployment in the Soviet Union in RABOCHAYA TRIBUNA.

Several million people could lose jobs during the transition to a market, he said.

KRASNAYA ZVEZDA publishes an address by Heroes of the Soviet Union, bearers of Orders of Glory, Great Patriotic War veterans to Soviet servicemen on the occasion of the 50th anniversary of the Nazi invasion of the Soviet Union.

KRASNAYA ZVEZDA publishes regulations on military councils in the Armed Forces, KGB, interior and rail road troops.

The councils have the status of permanent, collective leadership military-political command bodies in the Armed Forces.

KOMSOMOLSKAYA PRAVDA runs a story about the city of Chelyabinsk-70 and its Institute of Technical Physics—a nuclear research institution.

PRAVDA carries comments by Analyst Vsevolod Ovchinnikov on a new world order.

The newspaper comments on the results of the 10th congress of the Albanian Labour Party and the country's integration into the world community.

PRAVDA covers a meeting of finance and central bank governors of seven leading industrialized nations in London in the run up to the forthcoming G-7 summit.

Mikhail Gorbachev will go to London to speak about Soviet reforms and promote economic cooperation with the West, the newspaper quoted Gorbachev's spokesman Vitaliy Ignatenko as saying.

Economic

Abalkin Suggests Private Enterprise Development

OW2606014191 Moscow INTERFAX in English 1530 GMT 25 Jun 91

[Following item transmitted via KYODO]

[Text] The Soviet President's aide and well-known economist Leonid Abalkin has proposed that Mikhail Gorbachev should found a public council to encourage private enterprise. He did not specify the composition of the body.

L. Abalkin was speaking on Tuesday at the national conference on private enteprise. He mentioned that the President approved of his proposal. The point is that today the USSR government faces two global tasks; the first is the stabilization of the economy and the second transition to market. The Cabinet of Ministers is busy, due to its dependence on public opinion, with the first task "to win favour of the population".

A council on developing private enteprise, according to L. Abalkin, would tackle the second task, that is setting up economic structures needed for passing over to market. In his opinion, the council could increase the share of the alternative economic sector to 25-30 percent in 18-24 months, by an optimistic estimate. That would be the needed critical mass to direct the country along the market lines.

Economist Views Decline of National Income

OW2606013991 Moscow INTERFAX in English 1230 GMT 25 Jun 91

[Following item transmitted via KYODO]

[Text] Speaking at the first all-Union conference on entrepreneurship which opened Tuesday, the leading Soviet economist Leonid Abalkin said that the national income of the USSR fell by 11 percent over the past 5 months.

Mr. Abalkin indicated that industrial production was reduced by 5.6 percent, commodity turnover—by 10.6 percent, foreign trade turnover—by 32.3 percent. Export plummeted by 16 percent and import—by 45.1 percent.

However, these figures are not the most terrible display of economic crisis, Mr. Abalkin pointed out. Even bigger problems are the troubled monetary system and financial crisis. The Union budget deficit for 1991 was estimated at 27.6 billion rubles. But over the past 5 months it has already reached 32.2 billion rubles. The deficit in the budgetary system comprising the Union and republic's budgets will be an estimated 210-240 billion rubles by the end of the year against 52.1 billion planned for 1991.

Under such economic system no extraordinary budget would be able to pull the country out of the economic crisis, Mr. Abalkin says. In his opinion, price increases had no economic effect and only disturbed the people. Under the current economic system no financial Western aid can settle our economic problems. Mr. Abalkin says a way out of the crisis could be the creation of alternative economic structures.

Yavlinskiy Economic Program Summarized

PM2506125991 Moscow IZVESTIYA in Russian 25 Jun 91 Union Edition p 2

[Unattributed account of economic program of Soviet economist G. Yavlinskiy and Harvard Professor G. Allison: "'Window of Opportunity.' On 'USSR-West' Joint Program"; first three paragraphs are introduction; final two paragraphs are comment]

[Text] "This document," says the work which is now being studied with equal attention in the Kremlin and the White House, "in no circumstances lays claim to being an exhaustive or definitive treatment of an exceptionally important and complex topic like the reform of the economy... The governments of the Union and the republics have defined the main avenues of the transition to the market: the stabilization and liberalization of the economy, the privatization of property, and integration into the world economy. Our task is to propose a draft program which could be successfully implemented in the USSR and supported by the industrially developed countries..."

Without, unfortunately, having the opportunity to publish in full the work of over 100 pages undertaken by Soviet and U.S. specialists under the leadership of the Soviet economist G. Yavlinskiy and Harvard University Professor G. Allison, we print today a brief survey reflecting its main principles and avenues. A large part of the work—everything which concerns the political process taking place in the USSR and the economic reforms necessary at the present stage—was performed by staffers of the center for economic and political research in the Soviet Union and brought to the United States in finished form. U.S. specialists are responsible for the chapter concerning the industrially developed countries' interest in this project. The section on the prospects for economic collaboration between the USSR and the West was prepared jointly.

This item is not a document, so its discussion can hardly be fruitful. The task of the survey is to familiarize readers with the thrust of the joint Soviet-U.S. work. Indeed actually the work itself, according to the authors' definition, is nothing but a draft program whose creation, if it is decided, will require the participation of hundreds of scientists and specialists and will take several months. Probably M. Gorbachev will come out with his own schemes in London. The authors of the "Window of Opportunity" [soglasiye na shans] work in this case have deemed it their professional duty to voice their ideas about the directions in which the reform of the Soviet economy could develop with the support of the industrially developed countries. To specialists anxious to voice their opinion we recommend that they wait for the publication in full, which will seemingly be very soon.

The leadership of the Soviet Union and the republics is on the eve of the adoption of very complex decisions regarding the continuation of reforms of vital importance for our country. The nature of these transformations largely depends on collaboration with the West. It may be supposed with a high degree of certainty that, without this collaboration, headway along the path of

halfhearted reforms will continue—leading to the uncontrolled collapse of the economy and perhaps of the state itself.

The choice of the path along which the Soviet Union will proceed cannot be a matter of indifference to the world community. Because political instability in a country which occupies one-sixth of the world's land surface, which has a population of nearly 300 million, and whose potential of nuclear and other weapons of mass destruction comprises half of world stocks is extraordinarily dangerous. Because the USSR has enormous natural and intellectual resources and a large internal market whose inclusion in the world economy could lend it new impetus. And mainly because we live in a single political space and therefore the changes taking place in the Soviet Union are of a worldwide nature. Ideological confrontation between the USSR and the West in fact shaped the history of the 20th century. Our cooperation could have no less influence on the formation of the world order of the 21st Century.

The Soviet Union is and always will be a great power which adheres only to a policy in keeping with its fundamental interests. And it is precisely because it is a great power that the decisions taken in the USSR influence the destiny of the whole world.

Thus both sides are interested in rapprochement and collaboration. That creates preconditions for the elaboration of a joint program, whose result will be the USSR's transition to a market economy on the basis of genuine democracy and the country's integration into the world economy and the world community of nations. The aim of the work done in Harvard (United States) is to prepare proposals for such joint actions.

The authors of the work "Window of Opportunity" believe that to achieve success it is essential to observe at least three conditions. The first is **to insure the sides' mutual advantage** so that none of those taking part in the process acts out of considerations of charity or still less under pressure from anyone. Fortunately, of itself the aim which has been set accords with this task in the best possible way.

The second condition is that **the strategy of collaboration between the sides should be implemented gradually, step by step.** Initiatives should be precisely synchronized so that Western support goes to precisely that sphere of the economy, and at the right time, where reforms are being implemented at a specific moment. Only in that case will funds be spent to the maximum effect.

Finally, the third condition is **mutual trust.** The USSR and the West have already traveled a long path from mutual skepticism to increasingly great mutual trust. The actions undertaken in this direction by the leaders of both sides have changed our world. Now for the success of reforms in the Soviet Union it is necessary to strengthen and expand the trust which has emerged.

Of course, determining significance for the transition to a market economy will attach to the courage and resolve of the Soviet leaders and people. No one has the power to do for the Soviet Union what it should do for itself. But if the USSR, proceeding from its own underlying interests, chooses the path toward economic and political democracy, it is in the West's interests to welcome this choice not only verbally but also by practical actions, including substantial financial aid. The obstacles which must be overcome, the speech with which headway along the path of reforms will proceed, the scale of the difficulties facing the Soviet people, and the risk of failure which could be a catastrophe for the whole world depend on the actions of both sides.

What financial assets will be needed to support this program? Specific financial requirements will be revealed during the program's development and practical implementation. That is why the options submitted to Presidents G. Bush and M.S. Gorbachev do not contain these figures. In the opinion of the authors of the draft, a program of reforms on such a scale will require substantial funds, especially during the first few years. As the program is implemented the volume of the necessary support will be reduced. Here funds will go not on aid "in general" but on specific targets—on the maintenance of the balance of payments in the period of the liberalization of prices, on the creation of a fund to stabilize the ruble during the transition to its convertibility, and on investment funds for the retooling of the sectors which maintain the population's life support system.

Support, the specialists believe, should be provided by a consortium of countries and international financial organizations. Not a single individual country will bear a disproportionately large volume of the financial load. The most likely participants in this program will be the most industrially developed democratic countries and perhaps some others like the IMF, the World Bank, and the European Reconstruction and Development Bank. Aid from governments could be provided mainly in the form of (free) grants as in the Marshall plan, which will enable the Soviet Union to emerge from the period of transformations without a debt which weakens the economy. Here the budget expenditures of the countries taking part in the support of Soviet reforms would scarcely exceed one percent of their annual defense expenditures.

But money is not the most important element of the necessary assistance. The lessons which can be drawn from the 100 years' experience of "trial and error" in forming a democratic civil society and effective economic systems should be the possession not only of the top Soviet leaders but also of the entire people. Moral, intellectual, and technical aid is extraordinarily important. It is even more important and in a certain sense more expensive than aid in dollars or "in kind" in the form of food, medical supplies, and so forth.

It is obvious that without political reform there can be no economic reform and vice verse. These two reforms should be implemented simultaneously in the USSR.

Political Process

The Soviet Union has already taken important steps on the path to democracy: free elections to republican and local organs of power, the renunciation of the CPSU's constitutional monopoly on power, the adoption of laws guaranteeing freedom of speech and religion and freedom to enter and leave the country. Some of the authorities' powers have already been transferred from union to republican level and the rights of local self-management have increased considerably. The draft Union treaty provides for the further intensification of these processes.

A qualitatively new stage in political reforms was opened by the 23 April 1991 statement of the USSR president and the leaders of nine union republics. The "Nine plus One" statement makes it possible to speak of the creation of a new Union based on the principles of voluntariness, equal rights, and the defense of human rights. It also makes it possible to switch from confrontation between political forces to the search for a balance of interests and a policy of social consensus, which is also an absolutely essential condition for the success of economic reforms.

In accordance with the "Nine plus One" statement it is possible to have an approximate idea of the schedule for the practical implementation of the steps outlined in it.

The end of the summer of 1991—the signing of the Union treaty which will enshrine the redistribution of the authorities' powers in favor of the republics and determine the responsibility of various levels of state management and the procedure for the formation of new union organs of power.

In the fall of 1991 it would be expedient to conclude an Economic Union which would unite both the republics which have signed the Union treaty and those which have not. With the republics which do not want to accede to either of these treaties agreements are concluded regulating the following:

—guarantees of the rights of all people living on their territories irrespective of their length of term of residence, nationality, and so forth;

—currency and trade (customs) procedure;

—participation in accounts with regard to the USSR's foreign and internal state debt;

—the status of enterprises of union significance, defense establishments, and military bases on their territories.

The summer of 1991—the union and republican organs of power begin talks between all interested sides with a view to settling interethnic conflicts. Talks are held with organizations of workers of various sectors of industry with a view to reaching agreements on wages, employment, working conditions, and so forth with a view to avoiding strikes.

The spring of 1992—a new USSR Constitution is adopted which will be based on the Union treaty and the agreement on the Economic Union.

The summer of 1992—free multiparty elections to the Union organs of legislative power are held after which new union organs of executive power are formed.

Economic Reform

For it to be possible to count on success, the reform should be swift and comprehensive, as is borne out not only by the practical experience of other countries but also by objective economic laws. It should be completed by the end of 1997. By that time it is planned to integrate the country into the system of the world economy and world trade.

The process of the proposed reforms can be divided into two stages:

1991-1993—the period of the creation of the legal and economic institutions of the market economy and the start of the privatization of state property;

1994-1997—the period of the structural perestroyka of the economy, of the transition from state ownership to private and other forms of ownership, from a military industry to a civilian industry, from heavy industry to the production of consumer goods and services, from a closed economy to an open one.

First stage:

Preparatory stage—1991 and early 1992:

—The conclusion of the Union treaty and the agreement on the Economic Union, formation of a single economic space within whose framework cooperation with the West will be implemented. This space will be characterized by a single currency and a single monetary policy pursued by an independent Central Bank, by the coordination of budget policy, by a coordinated social policy, and by the implementation of a single customs policy and a common trade policy with regard to the republics which do not take part in the Economic Union.

An interrepublican economic committee will be instituted as the executive organ of the Economic Union. It is assigned the following functions: implementation of a single economic policy; preparation of a detailed program of reforms with the participation of representatives of the republics and international economic organizations; responsibility for ensuring the conditions necessary for implementing these reforms. The program of reforms is examined in the Supreme Soviet and Union government. Its basic principles are ratified by the parliaments of the Union and the republics.

—The continuation in the USSR of small-scale privatization and the liberalization of prices; advance toward a single exchange rate for the ruble. For that in particular, economic and technical support will be needed from the world community including the easing and subsequent lifting of trade barriers on both the Soviet and the Western side, deliveries of food and medical goods to the USSR, and so forth.

—The introduction of the necessary changes to existing economic legislation and the adoption of new laws.

—The USSR's entry as an associate member into international financial organizations and the start of the discussion of the program of reforms and cooperation with international partners.

First stage. Stabilization and formation of market relations (1992):

—the USSR becomes a full member of international financial organizations. Large-scale financial and technical aid begins in accordance with the program of reforms developed by the interrepublican economic committee, coordinated with international economic organizations, and ratified by the union parliament and the parliaments of the republics belonging to the Economic Union.

—The implementation of the program for the stabilization and liberalization of the Soviet economy begins:

The state budget is balanced by means of a drastic reduction of subsidies, of Soviet aid to other states, and of military expenditure and other measures;

control is abolished over prices except for prices for vitally important goods. The leap in prices at the moment they are liberalized is mitigated by the arrival of goods from state reserves, which could be swelled by deliveries from the industrially developed countries;

the independence of the Central Bank is established and it is reorganized along the lines of the Federal Reserve System;

the internal convertibility of the ruble for current operations is insured. The use of foreign currency in contracts concluded within the country is banned. The proportion of currency revenue left at the disposal of enterprises is increased and opportunities are expanded for the acquisition of currency at the market rate. Restrictions on the personal possession of foreign currency are abolished;

administrative restrictions on foreign trade are repealed, licenses and quotas for the export and import of the majority of goods are abolished. The system of taxes on exports and imports is reviewed and simplified. Standardized low import tariffs are introduced;

restrictions are lifted on individual economic activity. The privatization of small and medium enterprises continues. Large industrial enterprises are transformed into joint-stock firms or companies. The processes of the partial retooling of key sectors of the economy and the defense industry's transition to the production of civilian output begin and foreign investments are used here;

there is a liberalization of the market in agricultural output on the basis of the lifting of administrative control on food deliveries and a regional network of agricultural exchanges is formed. Because of the inadequate development of money relations in the agricultural sector, in the first few months the deliveries system will have to be supported with the aid of a tax in kind on agricultural output (not more than 15 percent). Subsequently the tax in kind is replaced by a monetary tax;

a number of measures are implemented in the social sphere. A system of food coupons is introduced for the acquisition of vitally important goods at subsidized prices. The reform of the wages system begins, geared to the free establishment of the scales of wages on the basis of collective contracts. State regulation of wages is limited to the establishment of a minimum wage and the use of tax methods of controlling the growth of wages at enterprises. The state takes steps to reduce the size and gravity of unemployment. New pension programs and the payment of money unemployment benefits are introduced. Social aid programs are geared primarily to supporting those unable to work.

Second stage. Consolidation of stabilization, expansion of privatization, implementation of structural policy (1993):

—A tough state financial policy continues as do the maintenance of the balance of the state budget and the restriction of Central Bank credits and the creation of conditions for investments—both Soviet and foreign.

—The privatization of small enterprises proceeds and the privatization of large enterprises is activated on the basis of preferential terms for workers of these enterprises, the involvement of credits, and the use of the system of deferred payments. An active state antimonopoly system is pursued.

—The conversion of the defense sectors continues. The opportunity must be examined for forming an international foundation for the conversion of defense enterprises using funds provided by international and state organizations.

—The land reform continues. The process of the redistribution of land in favor of efficient farms will be accelerated. The development of a free market in agricultural output will promote the rational specialization of agricultural production.

—In early 1993 large-scale investment plans are deployed for the development of the market infrastructure—a banking system, transport, communications, telecommunications. Foreign firms take part in these plans on competitive terms, which include the provision of the necessary capital, technology, and know-how. To renovate technologies and fixed capital

in the base and other sectors capital will be actively attracted from abroad. Guarantees enshrined in the relevant contracts and legislative acts will promote the encouragement of foreign investments, including private investments.

Second stage:

Intensification of structural transformations in the economy (1994-1997):

Even at the start of this period there will be a radical change in the structure of industrial production and trade. The production of consumer goods, including consumer durables, will be expanded. As the plan is implemented an increasingly large proportion of production will be accounted for by the joint-stock company sector and other collective and private ownership. Financial markets will be developed, including the markets in securities, which will serve as an incentive to the accumulation and efficient use of resources in the investment sector. The share of industrial output will expand considerably in Soviet exports.

The government will accelerate the process of the economy's structural perestroyka:

—The privatization of large enterprises is activated. Plans for the retooling of industry will be fulfilled with the aid of foreign investors, which will enable enterprises to alter the range of the output they produce. The process of the defense industry's transition to the production of civilian output will be accelerated.

—The process of the privatization of housing continues intensively—this will enhance the mobility of the work force in the country. The market in rented housing will start to develop.

—The tax reform is implemented. At the same time the comprehensive reform of distribution relations is implemented and several types of social expenditure (medical services, education, housing) are partly switched to self-financing.

—A manpower market is created. With a view to easing the consequences of unemployment special programs for the retraining of workers are implemented. The policy of employment in the public sector changes.

Foreign support is reduced in this period. There is an increase in the influx of private foreign capital into the country.

By the end of this period, in 1997, there will be a close integration of the Soviet economy into the world economy. The population's real incomes and living standard will improve.

The main argument in favor of this program accompanied by Western aid is that it it really provides an opportunity for switching to a market economy, reducing the risk of economic and political chaos in the period of such a historically unprecedented restructuring of the economy and all society. The Soviet Union is a wealthy country which in principle is capable of implementing the necessary transformations without foreign aid. But that will substantially delay the speed of the reforms and considerably reduce the population's living standard and in principle could end in failure.

The authors of the "Window of Opportunity" work are convinced that the nature of the sides' participation in this project cannot be formulated thus: "How much must we pay for this?" Instead the leaders of the USSR and the West must ask: "What will we get from this?" The price of success will be incommensurate with the costs [as published] and in any case will be far lower than the alternative development of events could demand.

Yavlinskiy Interviewed

LD2506201991

[Editorial Report] Moscow Radio Rossii Network in Russian at 1900 GMT on 25 June carries a 3-minute report in which reporter Tatyana Fektistova first says that economist Grigoriy Yavlinskiy's program has been offered to President Gorbachev, who is now preparing for the London G-7 meeting. She then interviewed Yavlinskiy who says that the basic tenets of his program based on the sovereignty of the republics. He proceeded from the assumption that the new union would be a voluntary one. It forms the union in such a way that it becomes economically very effective. "At crucial times, we can count on support." These reforms are rapid and radical, comprehensible to the whole world, he says. It is a six-year program.

Fektistova goes on to say that Gorbachev was clearly in no hurry to familiarize Yavlinskiy with the results of his study of Yavlinskiy's program, probably because he already had his own, government program. She continues: "Apparently, so that no one feels insulted later on, the president, who does not like any quarrels, did, at long last, announce that the two different, to put it mildly, economic programs quite simply converge, it turns out. Preoccupied, as he must be, with his state affairs, the esteemed president evidently quite forgot that any process of convergence takes place with —we do beg your pardon—at least two partners being present. The union government clearly disdained this simple and obligatory rule. Almost up to today Yavlinskiy has not been seen in [word indistinct]. Only today was he given an opportunity of meeting the president and finding out the results of the examination of his program."

She continues: "It has to be said that Yavlinskiy himself is surprisingly optimistic about the future. He very much hopes that the main tenets of his program will be incorporated in the counter- program to be authored by the Union government and Yavlinskiy himself. Both Nazarbayev and Boris Yeltsin declared their support for him. However, time will show whether the so-called counterprogram will meet with broad support in London and whether it will not seem a clumsy hybrid to the G-7."

Discusses Talk With Gorbachev

LD2506224491 Moscow Russian Television Network in Russian 2005 GMT 25 Jun 91

[From the "Vesti" newscast]

[Text] President Gorbachev has had a meeting with the author of the 500 days program, Grigoriy Yavlinskiy and also Harvard University Professor Graham Allison who was a co-author, with Yavlinskiy, in developing the new program which was discussed today. What were the results of the meeting? A report by our special correspondent Mikhail Ponomarev.

[Begin recording] [Ponomarev] Grigoriy Sergeyevich, what was today's discussion with the president about?

[Yavlinskiy] It was about... [changes thought] He is preparing for London, and inasmuch as I was not alone—I was with my partner Well, there were issues about the attitude of the U.S. Administration to this work.

[Ponomarev] All the same, what program will lie at the base of his talks in London?

[Yavlinskiy] What I think is this: First, I am frightened about how this was last year, so I want to put it like this now: I think that when he travels to London the president should travel with his program, one which he can argue for, which he can present, one about which he is convinced. Now he has the opportunity to select from many materials, many proposals, and that will be his work now. That, incidentally, is how he put it. So, he said, I have your proposals, the program of the government, I have proposals which have been sent to me from Europe, and they are all close together, the president says, and I will base myself on this—that is, my presentation in London. Well, that is his task.

[Ponomarev] Grigoriy Sergeyevich, why is it that Ruslan Khasbulatov has had a fairly critical attitude toward your program?

[Yavlinskiy] Well... his reply will contain the answer to your question. As far as I know what he said... I have not read it, but I do not like it. [end recording]

Chevron Agreement Said To Favor U.S.

91UF0890A Moscow MOSKOVSKIYE NOVOSTI in Russian No. 22, 2 Jun 91 p 10

[Article by Mikhail Gurtovoy under the rubric "MOSKOVSKIYE NOVOSTI Investigation": "It Is All Right for 'Ours'—To Leave a Black Hole in Place of an Immensely Valuable Oil Deposit, and the Country Without Profit."]

[Text] *In this issue, MOSKOVSKIYE NOVOSTI is publishing a special supplement devoted to one of the major projects in the cooperation between our country and the West. Normal economy cannot exist without large-scale, open partnership on the world market: This is the truth we are discovering, albeit belatedly. However, we are talking about open, mutually beneficial cooperation. At the same time, behind-the-scenes deals on predatory terms not only can do tremendous damage to our economy, but can be used to torpedo the already started reforms.*

The soap bubbles of the "Filshin Affair," ANT [Automation, Science, and Technology], and the likes were produced not only for the purpose of discrediting so-called market supporters and democrats. Now it is becoming more clear: This was a smoke screen behind which an attempt to hide a real deal of the century was underway—the deal in which the country may be deprived not of rusted tanks and mythical paper billions, but of real world-scale mineral deposits.

Goodbye, Tengiz!

Tengiz is the largest world-scale oil reserve on the territory of our country. Situated in Kazakhstan near the Caspian area, its potential is almost equal to Tyumen Samotlor, which kept the battleship of Brezhnev economy afloat for the past decades. Tengiz's geological reserves are evaluated at almost 5 billion tons, but there is also the "second Tengiz," practically not prospected yet, and there is a promising Caspian shale...

According to the forecasts, in less than a decade Tengiz was supposed to give us almost every 10th ton of oil we recover. In addition, it contains over 2 trillion cubic meters of gas and 609 million tons of sulfur. Tengiz oil contains up to 75 percent light petroproducts, and it is low on sulfur compounds. Its processing yield at the refineries can be as high as 85 to 90 percent. It is much more profitable to sell this type of oil already refined rather than raw.

Let us be frank: We are in no danger of becoming, in the near future, a major world supplier of equipment and technologies. Moreover, we are in real danger of a decline in our domestic oil exports. Tengiz is our trump ace in today's foreign economic game, where stakes go beyond the life span of just our generation. Tengiz is kept in mind when a decision is being made whether to give us credits or not. Tengiz determines our rating.

The Caspian: Functionaries Instead of Gunboats

A granting of rights to recover oil in the entire Tengiz to American company Chevron is now in the process of preparation. Let us qualify this at the outset: Everything said below is not an accusation directed at the heir of the famous Standard Oil. The company is acting within the framework of legal norms and, being oriented towards profits for its stockholders, makes decisions in accordance with business laws.

The scheme chosen in structuring this contract is very intricate. In the opinion of specialists, it was made so deliberately. Association Tengizneftgaz [Tengiz Oil and Gas] and Chevron create a joint enterprise Tengizchevroil, which receives the exclusive right to extract and export all local oil for 25 years, with an option to

continue for another 10 years. However, the Soviet side is contributing $850 million worth of purchased equipment and 1.5 billion rubles [R] worth of expenditures on prospecting and construction, while Chevron is asking to count as its contribution $20 million spent during the negotiations (!). Documentation proving how these millions were spent has not been submitted so far. However, the Soviet promoters of the project so happily, without explanations, add this money to the balance that one develops, willy-nilly, most inappropriate suspicions. Despite with such mindboggling disparity in contributions, the joint enterprise property is apportioned in equal shares. It is true that at the same time the Soviet side ostensibly gets $150 million for R750 million prior expenditures. Since the dollar here goes for R5, it seems to be a good deal... But then it turns out that this entire amount is considered to be a foreign loan. On top of this, we are being loaned the money Chevron will receive from exporting our oil. That is, we are receiving credits from our own money, and on top of that we are paying interest on it. In addition to oil rights, they will have the rights to have a priority supply, in the USSR, of all materials—construction, for instance—as well as the right for tax-free import for both the SP [joint enterprise] and for its subcontractors. In essence, it is a fantastic and unpunishable form of bribe.

It is true that there is a stipulation for a $830-million credit. However, this is, in essence, a Chevron obligation towards Chevron, not towards the USSR. According to this SP's charter, all credit decisions have to be approved unanimously, and the board consists of three Soviet and three American representatives. One can mention numerous other economic and legal tricks that permit robbing us with impunity.

Such a contract is unprecedented for modern times. Having dug into the history of oil concessions, I found out that this was the way empires treated their colonies in the beginning of the century, usually with the barrels of gunboats aimed at them. Who and how makes us play this demeaning role?

To the President's Attention

Four years ago foreign businessmen approached Nikolay Ryzhkov with a proposal to create a number of joint enterprises. The legislation stipulated that SP's can only exist on a self-financing basis in terms of hard currency. The proposal to the then premier was to make the self-financing feature apply not to each SP separately, but to all of them together by combining them into a consortium. They would build, the proposal said, consumer goods enterprises in the USSR, and would receive their hard currency income through an oil corporation to which our country will grant this unexplored oil field.

At first, the oil deposits that figured in the discussions were the Haryagin oil field on Pechora, and Imeni 70-Letiya Oktyabrya oil field (in the same area). Foreign partners rejected these fields under a variety of pretexts. Soon it became clear that they had Tengiz in their sights. At first, they tried to bite a piece of crust off this pie with the filling worth billions—they wanted to take only Korolevskiy oil field; then the entire Tengiz became a subject.

Let me state at the outset: It is quite possible that it is better to develop Tengiz with the help of foreign capital. Had there been an international bid of the kind Brazil organized for the construction of an electric power station on Paraiba, under the supervision of deputies and international experts, one could only welcome this sort of integration into the world economy. In the matter of Tengiz, however, everything—from the choice of a company to unbelievable privileges—had been decided behind the closed office door.

Now let me explain why even that part of the Tengiz oil's value that apparently goes to us under the terms of the deal, may not end up in our hands. It will be used to pay for the goods delivered by joint enterprises that are members of the consortium. And although we are paying weighty petrodollars for them, even in this we are not the ones ordering the music. For instance, they agreed to build factories that produce crackers and breakfast cereals only on condition that we will also buy cigarettes and thereby solve a very difficult problem for the West—that of overproduction of tobacco. That is, even for the remaining part of the value of the first-class oil at our disposal we will get world excess inventories at prices imposed on us.

How was it possible to push this kind of project through all our numerous bureaucratic levels that are usually so reluctant to make decisions? Even the government experts board—which included people who had participated in the development of this project—produced a conclusion full of misgivings. Somehow though it did get presented to "the top" as "positive, in general." However, despite the fact that the papers that ended up before the president were glossed over by optimism, he appointed a new expert commission—this time, an independent one. Here is an excerpt from the experts' letter to Mikhail Sergeyevich:

"...The economic essence of the project is absolutely clear: The Soviet Union and Kazakhstan are being asked to grant the property rights on the most valuable oil deposit in the country, promising absolutely nothing in return.

"Based on the considerations above, it appears to be advisable:

"—to reject the proposed draft of the agreement as unacceptable; and to continue subsequent negotiations with Western companies in regard to the development of Tengiz and Korolevskoye oil deposits on a regular bidding basis;

"—to make public the details of the said agreement in order to explain to the world business community the position of the Soviet side, necessitated by Chevron demands that transcend the limits of the commonly acceptable; and

"—to conduct an investigation into how this sort of option, which ignores the national interests of the USSR and Kazakhstan could have been recommended for approval by officials responsible for the conduct of negotiations.

"[Signed] *E.T. Gaydar, chairman of the expert commission, doctor of economic sciences*

"A.A. Arbatov, deputy chairman, doctor of economic sciences

"V.I. Danilov-Danilyan, deputy chairman, doctor of economic sciences

"M.A. Roshchin, scientific secretary, candidate of economic sciences."

Naturally, the defenders of the project had tried to neutralize the activities of independent experts. What were their arguments? Ostensibly, the rejection of the project would "complicate cooperation with the business circles." But how can the desire for a normal, mutually beneficial way of doing business "complicate the cooperation?" On the contrary, our cooperation with the West would be made more difficult by our acceptance of such unnatural terms.

Also very interesting is another argument that says that cooperation with the Chevron corporation should not be looked at as a concession because... there is no legislation on concessions in our country. It would have been better, however, is it were indeed a concession. If we did pass such legislation and fashioned it by the standards of world practice, we would have received 85 percent of the extracted product just for letting Chevron in on our territory. Then they would have divided the remaining 15 percent with their Soviet partner. A concession would have stipulated that the company is obligated to not only retrofit the oil field and to ensure the level of output, but also to build the infrastructure and comfortable residential settlements, and God save it if it commits any environmental violations. In addition, all of this applies, as a rule, to unprospected deposits. For those that are already in operation—of the Tengiz type—concessions are not granted; instead, a contract is signed whereby the oil goes to the country and the company gets paid for extracting it.

No Heartache for the Great Power?

Amazingly silent are those who had made a political career on the break-up of ANT, which, in comparison with Tengiz, looks like a standard of business ethics and protection of national interests. Silent are the hurrah-patriots and all the others who believe they have a monopoly on the "heartache for the great power." No inquiries are forthcoming from the Soyuz Group, although this is precisely the case when the Union really is being plundered and sold off for nothing. Perhaps, their stage director ordered them to "maintain a pause," with the hint that it is all right for "our own?"

Is the work on the safety net under way—just in case a scandal around Tengiz does break out? The name of the president of the country is being mentioned suspiciously often and without any grounds in the talk around the deal. It is being used for cover, and it looks like preparations are underway to pass the blame onto him, on his negotiations with Presidents Reagan and Bush, and his policy of new thinking.

On the other hand, they go into great lengths to avoid mentioning the name of former Prime Minister Ryzhkov in connection with Tengiz, although it was he, who, on 21 March 1989, signed the resolution on the agreement between the Soviet foreign economic and American trade consortiums and other documents that paved Chevron's way to Tengiz.

Will there be an immediate parliamentary investigation? In particular, in Kazakhstan, whose property is being so freely disposed of? Especially considering that the republic has a group of excellent economists—advisers to Kazakhstan's president.

By the way, this is not the first time in world practice that an oil-related issue has become a political problem. When oil was found in Mexico it was seen as a historic opportunity for the country to flourish. However, it was precisely because of corruption that the external debt increased multifold during the development of these deposits. It is not surprising that combating this corruption has become a cornerstone of the government program.

The author will also attempt to continue the investigation. Especially in light of the fact that he has in his possession some documents that (as some may have thought) had been securely hidden away.

Agricultural

Drought Hits Feed Production in Kazakhstan

PM2506151391 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 20 Jun 91

[From the "Vremya" newscast: Report by V. Glukhovtsev and V. Lazarevskiy, identified by caption]

[Text] [Announcer] Now to a problem that concerns each one of us—the situation in the countryside.

[Glukhovtsev] This is how desolate the mountain and flatland hayfields currently look. A severe drought has hit virtually all of Kazakhstan, and the problem of feed procurement has acquired particular importance both on the Lenin kolkhoz [collective farm] and on many of the republic's other farms. The steppe grasses have withered and the traditional summer pasture lands offer scant nourishment. Yet this kolkhoz alone has 40,000 sheep and 3,000 cows and horses. By winter almost 55,000 tonnes of hay, haylage, and silage will have had to be laid

in for them. Where will the kolkhoz members get this feed from under these circumstances?

[A.A. Abdykaparov, chairman of the Lenin Kolkhoz, identified by caption] We have a very difficult job on our hands. In order to solve the problem we have currently sown silage corn on 1,250 hectares. And we want to get as high a yield as possible. We have just harvested perennial grasses and alfalfa for haylage in a very short period. We are now cutting down on harvesting and have started irrigation work.

[Glukhovtsev] So that means—if I understand you correctly—that by cutting down on the time it takes, you can get in another crop?

[Abdykaparov] That's right. Every year we used to get three crops. This year we want to get four.

Shortage Hampers Production of Mini-Tractor

PM2506151591 Moscow Central Television Vostok Program and Orbita Networks in Russian 1530 GMT 20 Jun 91

[From the "Vremya" newscast: Report by Yu. Balandin and E. Breytman, identified by caption]

[Text] [Announcer] A Kurgan machine building plant has started producing specialized equipment for peasant farms.

[Balandin] Production of the new tractor—the T-010—has been assimilated in conjunction with Kharkov tractor workers. With various mountable accessories—harrows, plows, cultivators, mowers—the tractor is suited to work in truck gardens, orchards, and small farm plots. In order to allow it to act as a means of transport the tractor uses a trailer produced at the same plant. With its help the tractor can transport loads of more than 500 kg. Incidentally, the new tractor's transport potential has been of particular interest to industrial producers. It turns out that the vehicle could replace well known imported battery-operated trucks, deliveries of which have declined recently. The plant workers are capable of organizing continuous production of the minitractor this year. They are being held up by their suppliers—there are shortages of rubber for the wheels, electrical equipment, and batteries. If normal supplies of components are ensured, the enterprise plans to produce up to 20,000 of the new vehicles a year.

Scientific

Work on Damaged Space Station Antenna Described

PM2506200591 Moscow IZVESTIYA in Russian 26 Jun 91 Union Edition p 1

[S. Leskov report: "Troubled Night On Board Mir"]

[Text] Cosmonauts A. Artsebarskiy and S. Krikalev spent the night of 24-25 June in open space. The crew was tasked with performing the highly complex job of replacing the disabled antenna on the "Kurs" system.

The following indicates the labor-intensiveness of this job. A few days ago during a control run-through of the spacewalk in the Star City [simulation] pool it took testers a whole hour just to find a suitable position on the ship's hull. Yet that only represents the preparation for the main job, which is expected to take six hours. Snatches of film taken in the pool were relayed on board and served as a guide for the crew.

What happened to the "Kurs" system's antenna which is designed to ensure spacecrafts' automatic approach and docking with the Mir orbital station? The last few spacecraft have had great difficulties docking with Mir. It is being surmised that the antenna was damaged by the previous crew during their spacewalk. However, it would be unfair to reproach Afanasyev and Manarov for inefficiency. The work was, after all, carried out in a terribly confined space with the elements of the complex positioned in a totally different configuration from that envisaged according to the program.

The nocturnal work required truly intricate skill in manipulating the unique, specially developed tool [slesarnyy instrument]. Suffice it to say that even a tiny mirror similar to that used by dentists was put into service. The damaged parts of the antenna were stripped down and the new antenna mounted in a room [zal] containing, according to O. Tsygankov, chief of the "Energiya" Science-and-Production Association experimental test department, roughly 10 instruments—some of them of vital importance, moreover. This crew had not, after all, had occasion to work in open space before. Central Flight Control strictly recommended that Artsebarskiy and Krikalev not move around the complex when darkness fell during the orbit and not perform even minor operations in shadow, using this time for rest.

It is sad that we have of late referred to the Mir orbital complex and the crews living in space almost exclusively in connection with repair work. No one will argue that it is taking ever-increasing effort to maintain the aging orbital complex. Yet it has still not been fully equipped...

This spacewalk ended safely, the crew carried out their mission. But Artsebarskiy and Krikalev are to go into open space another eight times—a record achievement for the cosmonauts.

Soviets Participate in Space Shuttle Research

LD2606041691 Moscow TASS in English 1938 GMT 25 Jun 91

[By TASS correspondent Yuriy Konorov]

[Text] Moscow June 25 TASS—Soviet specialists will carry out after-flight medical and biological experiments on animals that travelled into space on board a Columbia space shuttle. This is the first time Soviet scientists will participate in a U.S. space programme.

"This is a unique flight. For the first time U.S. astronauts were seen off into space from Cape Canaveral by Soviet scientists," said Professor E. Ilyin, deputy director of the Soviet Health Ministry Institute for Medical and Biological Problems.

"For the first time four physicians and biologists were in the Columbia's crew together with three astronauts. This is the first time that its cargo bay carried a Spacelab scientific and research module with guinea pigs. Finally, this is the first time U.S. specialists have handed over animals that travelled in space to Soviet research institutes," Ilyin said.

"The decision was prompted by the fact that Soviet specialists have large experience in conducting biological experiments on white rats, monkeys and other living organisms. Unified methods they apply allow for using computers to systemise data and create data bases. That's why, the participation of our specialists in a U.S. space scientific programme is financially and scientifically profitable for both sides," Ilyin said.

Military

President Gorbachev Addresses Military Graduates

LD2606113591 Moscow All-Union Radio Mayak Network in Russian 1030 GMT 26 Jun 91

[Speech by USSR President Mikhail Gorbachev at reception in the Kremlin, Moscow for graduates of military academies on 26 June—live or recorded]

[Text] Dear Comrades! Esteemed representatives of foreign armies! By tradition, we greet graduates of the country's military academies in this hall in the Kremlin. A new detachment of officers of the Soviet Army and Navy and their foreign colleagues who have trained in our military institutions is entering their ranks today. At this sort of meeting, it is customary to pronounce parting words: I, too, would like to share some thoughts with you.

In a few days' time, you will leave the walls of the academies and, as the saying goes, you will embark on your service. You are returning to the troops and the fleets at a time when our country and the entire world is undergoing a process of many-sided and all- embracing changes. These changes are having a profound effect not only on international politics, on the nature of economic ties and the humanitarian sphere, new realities are no less decisively opening up in army life and making serious corrections to military theory and practice. The armed confrontation between East and West, which was for decades the chief indicator of the unhealthy state of the whole of civilization, is slipping into the past. Cuts are made in armed forces and armaments, troops are being withdrawn from foreign territories, and confrontation and top-secrecy are giving way to mutual acquaintance between military men, and even to a certain openness. We all, I think, want mankind to become a community that is not warring, but actively cooperating.

This does not mean, of course, that the time has come when state borders have ceased to need reliable protection, and armies should be disbanded. The world is still filled to the brim with weapons. One must not disregard the fact that the combat power of the armies of the industrially developed and developing countries is continuing to be further improved and is constantly growing. This does not give us the right to forget about our own defense potential.

The Army and Navy must be strong and must respond to all contemporary demands. They must preserve their vigilance and military might at the required level. And no one should have any doubts about this. It is another matter that the defense complex is obliged to adapt itself to the challenges of the time. Strictly speaking, the doctrine of reasonable defense sufficiency which comprises the basis for the formation of our state's contemporary defense policies is a response to these challenges. We have declared our firm adherence to such a doctrine. We have already done much to consolidate this with legislative acts. But the main thing nonetheless lies ahead. It is necessary to bring arms production into line with the doctrine of the organization of the Army—and here profound military reform cannot be avoided.

What is the essence of this? To put it briefly, first and foremost it should be to provide for the effectiveness of the defense organization with such priorities as the high profesionalism of the military, the quality of weapons, and to fill the slogan formulated by Suvorov with contemporary substance: not numbers but ability.

It is not difficult to understand what responsibility, in connection with this, lies with the officers of the Army and the Navy. You will be faced with creating a military organization for our state, which is new in many ways. And moreover, this very difficult task is being made more complicated by the fact that it is being implemented under the conditions of the profound perestroyka of our entire economic and political organism. Excessive strain is being felt in society and the army cannot help but feel and is feeling this itself. In conection with this, taking into account the important stabilizing role of the Armed Forces, I would like to stress the significance of the responsibility of the military, their endurance, their loyalty to their patriotic duty and—what is of no small importance—their striving to aid those processes which should lead to the renewal and modernization of the country. I think that not only the unity and, consequently, the strength and might of our Army, but also the general potential of Soviet peace-loving policies depend to a great extent on this.

The Army, like the country, is not living under simple conditions today. It requires more social protection and a legitimate and respectful attitude toward itself. And the state will do all that it can to enhance the prestige of the individual who wears a military uniform and to improve

his life and living conditions. I am sure that the servicemen of the Army and the Navy, loyal to their constitutional duty, will continue to reliably guard the interests of our fatherland.

I congratulate you whole-heartedly on the successful completion of your study. On this festive day I would also like to address the officers of friendly armies, congratulate them on graduation from military academies and wish them success in their service and in strengthening ties between our states and armed forces—this is a great and noble aim. My cordial words to the command, to the professorial and teaching staff of the military academies for their creative work in training a new detachment of the Soviet officers' corps. All the best, dear comrade officers. I wish you success in the diffcult but noble field chosen by you of service to the people and to the fatherland. [applause]

Gorbachev Signs Decree on Military Councils

PM2506134791 Moscow IZVESTIYA in Russian 25 Jun 91 Union Edition p 2

[USSR President's decree "On the Approval of the Statute on Military Councils in the USSR Armed Forces, USSR KGB Troops, USSR Internal Affairs Ministry Internal Troops, and Railroad Troops"]

[Text] 1. Approve the statute on military councils in the USSR Armed Forces, the USSR KGB troops, the USSR Internal Affairs Ministry internal troops, and the railroad troops.

2. The USSR defense minister, the chairman of the KGB, and the USSR minister of internal affairs must submit for approval within a month substantiated proposals for the newly created military councils and their personnel.

3. The USSR Cabinet of Ministers must take decisions stemming from this Decree.

4. This Decree is to be put into operation from the moment it is signed.

[Signed] USSR President M. Gorbachev, Moscow, Kremlin, 22 June 1991

Maslyukov Comments on French Air Show

LD2406221891 Moscow TASS in English 2206 GMT 24 Jun 91

[By TASS correspondent Georg Mikhalin]

[Text] Paris June 25 TASS—"While in France we got acquainted with latest scientific achievements in the production of civilian and military hardware and discussed with French government members prospects for and areas of bilateral economic cooperation," Soviet Deputy Prime Minister Yuriy Malsyukov told TASS, summing up the results of his official visit to France. The visit ended on Monday.

Maslyukov led a Soviet delegation to the 39th International Aerospace Show at Bourget. Having pointed to the high level of the aerospace show, the deputy premier emphasised that many countries displayed possibilities for a transition to the production of a new-generation military hardware.

Clearly seen is a desire of West European countries to combine efforts to develop such armaments. Noteworthy is a boost in the utilisation of newest composite materials in the military field, he said.

The French aerospace industry looked impressive at Bourget. French firms closely cooperate with U.S. companies in the utilisation of newest materials and high-precision manufacture of products, Maslyukov observed.

As for the introduction of what was seen there in the USSR, the need arises for close co-production arrangements between Soviet enterprises, design bureaus and French companies, he added.

It is possible, for example, to establish cooperation in the production of high-powered economical engines for the Il-86 or Il-96 wide-bodied aircraft, Maslyukov noted.

An arrangement was made with the French firm Snecma for the delivery of such engines for tests in the Soviet Union. Co-production arrangements are also possible in such spheres as the development of ultramodern communications systems, telecommunications, and air traffic control.

During the talks with Dominique Straus-Kahn, French minister-delegate in charge of industry and foreign trade, much attention was devoted to explaining transformations taking place in the Soviet Union so as to build trust in them on the part of the French leadership. This is what the attitude of the French business community to developing mutually beneficial cooperation with Soviet entrepreneurs depends upon, Malsyukov said.

In this connection the question of concluding an intergovernmental agreement on co-production arrangements between the state sectors of the French and Soviet industries was also considered, he added.

The sides deem it necessary to sign such an agreement soon. The agreement is practically ready. It needs only to be elaborated with due regard for what has been seen at Bourget air show, Maslyukov said.

Entry Into Commercial Space Market Problematical

PM2106082591 Moscow KRASNAYA ZVEZDA in Russian 19 Jun 91 First Edition p 5

[Report by TASS correspondents I. Kuleshov and N. Novichkov: "Political Obstacles Blocking the Path to Space"]

[Text] Paris, 18 Jun—Despite low cloud, light planes and civil and military aircraft were taking off one after

another into the sky above Le Bourget, where the 39th air and space show has achieved cruising speed. Meanwhile, on the ground, numerous experts from major aerospace firms are inspecting the Soviet "Mir"—"Kvant"—"Kristall" orbital complex, a model of the French "Hermes" orbital aircraft, and a plan of the U.S. "Freedom" space station and are actively discussing long-term plans for the development of space research.

Whereas cooperation between the Soviet Union and Western countries in the sphere of fundamental research is developing successfully in accordance with existing programs under intergovernmental agreements, we are not satisfied at all with the results of our commercial relations, Yu. Koptev, USSR deputy minister of general machine building, noted in conversation with TASS correspondents. Our country has enormous potential in the astronautics sphere, particularly in the services market, connected with putting useful payloads into orbit and carrying out a whole series of observations of the earth's surface from space, particularly in connection with ecology, the study of earth's natural resources, and the provision of special types of communications. Regrettably, however, it has to be said that we have not managed to break into the international market in any of these areas.

As for the possibility of providing services in terms of launching useful payloads, the solution of this question is encountering substantial obstacles of a political nature. At the moment these services are divided between the West European "Arianespace" consortium and U.S. firms. China has also performed several symbolic launches. None of them is keen to see a competitor as powerful as our country appearing in the world market. So everything possible is being done to prevent our getting into the market. First and foremost there are the political restrictions connected with the activity of such organizations as Cocom [Coordinating Committee for Multilateral Export Controls], banning the movement of advanced technology to the Soviet Union.

The discrimination continues, despite the fact that we have officially stated at government level that a mechanism has already been created that guarantees constant control by Western experts of all the processes involved in moving the satellite, preparing it for the launch, attaching it to the launch vehicle, and placing it in orbit. But a very effective ploy is being used against us, which is making it possible to drive a powerful competitor into a corner.

Comparison of Moiseyev on Military Reform

LD2406165591

Moscow TASS International Service in Russian at 0814 GMT on 24 June transmits a 2-paragraph report on USSR Army General Mikhail Moiseyev's address to graduates of the General Staff Academy on 24 June.

This item has been compared to TASS English version, headlined "Moiseyev on Need for 'Constant Combat Readiness'" published in the 24 June Soviet Union DAILY REPORT and found to be identical with the following exception:

Page 81, column one, first sentence reads: It is namely the 1991 graduates of the Academy, he noted, who will continue and complete by the year 2000 the reform of the armed forces and impart to them a new appearance and quality. [supplying additional material]

Baltic Republics

Baltic Party Delegations Hold Meeting in Riga

LD2506160191 Tallinn Radio Tallinn Network in Estonian 1700 GMT 22 Jun 91

[Text] Delegations of Latvian and Lithuanian democratic parties and of the independent Communist Party of Estonia, led by Ivars Kezbers, Algirdas Brazauskas and Vayno Vyalyas respectively, gathered in Riga today to discuss the situation in the Baltic republics and the results of the work of their parliaments.

Lithuanian representatives discussed the antidemocratic trends which have been increasing the past few months and attempts to settle scores with ideological opponents in a physical manner. Participants of the conference noted that a fair number of new laws have been drawn up in all three republics, but a considerable number of them have been adopted without evaluating the social consequences. Quite often deputies ambitions and personal economic interests are apparent.

The conference participants confirmed their loyalty to the idea of true Latvian, Lithuanian and Estonian state independence. At the same time they resolved to withstand any negative trends in each republic and to establish closer contact with democratic forces in other republics.

Estonia

Estonian Protest of OMON Border Attacks Noted

LD2506162291 Tallinn Radio Tallinn Network in Estonian 1825 GMT 14 Jun 91

[Excerpts] Last night OMON [special purpose militia detachments] attacked border posts across the whole of the Baltics. [passage omitted] The Foreign Ministry of the Republic of Estonia has sent a note to the USSR Foreign Ministry voicing protest over what happened. Among other things the note says: The government of the Republic of Estonia is forced to approach international organizations with a proposal to bringing impartial observers to the border. We hope that the USSR government will support the idea of using international observers so as to prevent further conflicts.

Estonian, Soviet Ministers Discuss Finances

OW2606040291 Moscow BALTFAX in English 1830 GMT 25 Jun 91

[Following item transmitted via KYODO]

[Text] Estonia's Finance Minister Rein Miller met in Moscow on Tuesday with his Soviet opposite number Vladimir Orlov to discuss what is known as the "finance treaty" between Estonia and the USSR, prescribing a procedure for Estonia's payments to the national budget and union funds.

According to Mr. Miller, the parties reached understanding on the matter, and agreed that Estonia would have to pay to the national budget and the USSR economy-stabilizing fund approximately 120 million rubles to support the development of the fuel and energy complex. Earlier the Soviet Union demanded 1.3 billion rubles for the purpose, and another 1.5 billion for defense projects. Mr. Miller said Estonia resolutely turned down the latter demand.

The Estonian minister told BF [BALTFAX] that his talks with Mr. Orlov would continue on Wednesday. On the same day, Rein Miller and Edgar Savisaar, the Estonian Prime Minister, would meet with the Soviet Premier Valentin Pavlov.

The final say on the payments to the Union budget is reserved for Estonia's Supreme Council, since the republic's 1991 budget does not provide for any such payments. The three Baltic republics decided earlier this year to stop all payments to the national budget and the financing of union funds.

Latvia

Latvian Conflicts 'Likely' in 'Near Future'

LD2506154791 Tallinn Radio Tallinn Network in Estonian 1400 GMT 25 Jun 91

[Text] As we reported at the weekend, new provocations were feared in Latvia during the midsummer holidays. The Latvian Parliament has decided to postpone its recess. A reinforced guard has been arranged, attached to the Supreme Council and the government. Talavas Jundzis, chairman of the Supreme Council's commission on internal affairs and defense, said today in an interview with the BALTIC NEWS SERVICE that Latvian authorities do not consider a new coup in the Baltics likely in the near future; however, conflicts are likely. In the course of the past few days—and on 22 June in particular—an increase was noted in the number of military vehicles in the streets of Riga, and the Special Purpose Militia Detachment was active. The Baltic Military District headquarters, which usually justifies such occurrences as headquarters exercises, has refused to comment at all this time.

Coup Prospects Played Down

OW2606021691 Moscow BALTFAX in English 1230 GMT 25 Jun 91

[Following item transmitted via KYODO]

[Text] Chairman of the Latvian Supreme Soviet's Commission for Internal Affairs and Defence, Mr. Talavs Jundzis, told BF [BALTFAX] that in the opinion of the Latvian authorities a coup in the Baltic republics was hardly possible. However, he said, they do not exclude the possibility of medium or small local conflicts.

Earlier, warnings against a possible coup had come from Latvia's deputy-premier, Mr. Ilmars Bisers. For fear of provocations, the Latvian authorities resolved that during the parliamentary recess in July, the Presidium of the Latvian Supreme Soviet, consisting of 19 members, would keep working. The presidium gathers every Monday and, if necessary, can convene an emergency sitting of parliament.

Commenting on the situation on the Baltic republics' borders, Mr. Jundzis said that the Latvian authorities were not going to offer any armed resistance to the Black Berets. "This problem must be solved politically, not militarily," he said.

The commission, chaired by Mr. Jundzis, is closely following the situation in the republic, as well as the actions of the military, and is drafting corresponding reports.

The Lativian Supreme Soviet's Press Secretary, Aleksandr Mirlin, told BF that the Latvian leadership was worried by intensified troop movements in the republic.

For instance, on June 1, movements of military equipment were observed in the central streels of Riga. The government buildings and parliament were in the center of that "carousselle".

A week later, under the pretext of search for deserters, military patrols appeared in Vilnius. Armed soldiers patrolled bridges, the airport, the railway terminal, the main crossroads and other strategic areas.

On June 15, four armoured vehicles and staff cars, equipped with powerful radio stations, appeared in the centre of Riga.

On June 22 intensive movements of the Black Beret units and troops were observed in Riga and in other regions. About 30 Black Berets set up a camp on the bank of the river Gauja, not for from the city of Valmiera.

The Staff of the Baltic military district did not give any explanations concerning the troop movement, although earlier they had alleged the movement was due to "military exercises".

TASS Criticizes Latvian Budget Allocations

LD2206191391 Moscow TASS International Service in Russian 1115 GMT 22 Jun 91

[By TASS correspondent Valeriy Zaytsev]

[Text] Riga, 22 Jun (TASS)—Since the beginning of the year changes have been made to the republic's state budget several times. On Thursday the Latvian parliament adopted its latest decision—to increase the expenditure part of its budget by over 89 million rubles. Simultaneously, at the government's proposal, the plan for the taxation of property has been increased by 40 million rubles.

What will these sums go to? Of the sum, 9 million rubles has been allocated to the health ministry to cover losses connected with an increase in the wholesale prices of medicines. The department of public security has become immediately richer by over 12 million rubles, which will go for training cadets and acquiring hand-held radios. The budget of the customs department has grown by 7.5 million rubles. These funds are necessary "for the restoration and organization [ustroystva] of checkpoints," for the acquisition of equipment and means of transport, and "to improve wages."

Unfortunately, incidents at customs posts have become a routine phenomenon. According to the opinion of the Baltic transport procuracy, the reason is the anticonstitutional activity of the customs department, which does not possess a legal foundation.

Despite this, the leadership of the republic obstinately allots supplementary funds for the local customs officers and the department of public security, yet promised payments to the Union budget, amounting to 350 million rubles, remain unfulfilled.

Lithuania

Lithuanian Parliament Votes on Property Rights

PM2006125091 Moscow IZVESTIYA in Russian 20 Jun 91 Union Edition p 2

[Nikolay Lashkevich report from Vilnius under the "Direct Line" rubric: "Property Rights Restored"]

[Text] After heated debates lasting about seven months, the Lithuanian parliament has adopted the Law "On the Procedure and Conditions for Restoration of Citizens' Ownership Rights Over Real Estate Still in Existence."

The aim of the new law is to restore to former owners their property that was at one time illegally nationalized or transferred to social ownership. Ownership rights are restored only for citizens of Lithuania through the restoration of the actual property appropriated by the state, or through the payment of state compensation if it is impossible to restore the actual property. The term "property" includes land, timber, housing, and economic or commercial buildings.

More than one-third of the body of deputies voted for the adoption of this law. The left faction left the hall in protest. In its view, the law, which in general restores historical justice, could give rise to unpredictable legal clashes: It will disrupt civic unity. It will undermine the state budget and cause insoluble problems for thousands of people who are neither legally nor morally to blame for the former policy of the Lithuanian leadership.

Lithuanian Government Call for Roundtable

PM2506142591 Vilnius EKHO LITVY in Russian 11 Jun 91 p 1

["Appeal From Lithuanian Republic Government"—EKHO LITVY headline]

[Text] Scarcely a single person can be found in Lithuania who does not feel the effects of some disorder or of shortcomings in agriculture and industry, construction, supplies, and transport, health and education, or the other spheres in which each of us works.

The government of independent Lithuania, having inherited a completely devastated economic system, can see only one solution: rapid reform of the economy, whose decline was brought about by the Soviet distributive system. This requires the approval, support, and patience of all the people of Lithuania. We must all resolve on a resolute step in which any delay would only weaken our forces. To make the furrow that has been begun firmer and deeper, to avoid getting stuck halfway, we appeal to all the people of Lithuania:

1. Let us say to ourselves—we are beginning and we will support economic reform.

2. We will not let opponents of our independence and democracy take advantage of the difficulties arising in the transitional period.

3. Let us refrain from political actions, let us proclaim a period of political concord until the end of this year, and let us not give way to provocation, incitement, or intimidation.

4. Let us discuss in a businesslike manner the economic and political projects proposed by all legal parties and movements, and discuss them together at a roundtable.

5. We will strengthen the executive power, but we will not duck our responsibilities—let us be active creators of our own future. Sooner or later we will have to overcome the difficulties of the transitional period of economic reform. If we delay, the road of inevitable changes will be even more difficult.

We will overcome only by working together, helping one another, advising and understanding that it is this that constitutes our peaceful, unarmed struggle for independence, democracy, and a life worthy of human beings.

[signed] Prime Minister of the Lithuanian Republic G. Vagnorius

10 June 1991

Lithuania Joins Non-Proliferation Treaty

OW2606035991 Moscow BALTFAX in English 1830 GMT 25 Jun 91

[Following item transmitted via KYODO]

[Text] In compliance with the resolutions of the latest Baltic Council session, the Lithuanian parliment decided on June 25 to join the Nuclear Non-Proliferation Treaty and stringently abide by its provisions.

Lithuania's Supreme Council authorized its chairman to inform the British, U.S. and Soviet governments of this decision.

BF's [BALTFAX's] reporter notes that the situation is rather delicate, considering the possibility that Soviet nuclear weapons may still be present on the territories of the three Baltic republics. Although the USSR claims to have withdrawn all its nuclear arsenals from the Baltic region, local leaders are yet to make sure it is true.

RSFSR

Yeltsin Interviewed on Current Issues

LD2506231491 Moscow Russian Television Network in Russian 1941 GMT 25 Jun 91

[Interview with Boris Yeltsin, president of the Russian Soviet Federated Socialist Republic, RSFSR, by Bella Kurkova at Vnukovo Airport in Moscow on 18 June; from the "Fifth Wheel" program—recorded]

[Excerpts] [Kurkova] Boris Nikolayevich, what are your thoughts as you now fly off to the United States of America?

[Yeltsin] Well, you see, I now have a kind of interim period before I take up the office of president—this will be at the congress on 10 July when I will take the oath. Now, I am officially the president of the Russian Soviet Federated Socialist Republic [RSFSR] Supreme Soviet and the elected president of Russia. In this interim period—I am not yet even able to sign my first decree—I have decided to take up this very serious and important invitation of the leader of the majority in Congress and the Senate, and the President, and fly off and visit the United States for two and a half days. [passage omitted]

[Kurkova] Boris Nikolayevich, it is somehow a tradition with you: You remember we flew to Belgium during your election campaign. Well, now we are flying to the United States and both after meetings in Novo-Ogarevo. How is one to see it, generally?

[Yeltsin] Nevertheless, it is probably a certain coincidence, although the work timetable is very harsh, without any breathers, as it were. As you say, yes, a meeting in Novo-Ogarevo took place yesterday and, evidently....

[Kurkova] It is said that there was not even a lunch break for you and Gorbachev?

[Yeltsin] Approximately six hours. Moreover, we were bringing the draft Union treaty on the union of sovereign states—for this will be its name—to a condition in which it could have been sent to the supreme soviets of all

republics for debate. That is to say, it does not mean that agreement has been reached on all the provisions, no. This includes a number of aspects pertaining to the demarcation of functions, the demarcation of property, taxation, and a number of other questions. These have not been agreed upon with the country, Russia. But, nevertheless, we decided not to wait any more and to send it, even in this form, to the supreme soviets for debate; and, subsequently, following this debate, it will evidently be again necessary to take account of the fact that there will be different drafts of the treaty adopted by these supreme soviets and that they will differ from one another somewhat, and they will somehow have to be made to tally with one another once and for all. All in all, the signing is possible in July, I think.

[Kurkova] Has it now become easier to talk in Novo-Ogarevo?

[Yeltsin] Yes, no doubt about that, no doubt about that. The relations, I would say, became right away.... [changes thought] It was not even possible to hold things in check, so that it would somehow be gradual. The difference was palpable... and the greetings and all that.

[Kurkova] That is good?

[Yeltsin] Then all the republics will, slightly, somehow, gather together around....

[Kurkova] ...Great Russia.

[Yeltsin] Yes, around Russia. I think that is natural.

[Kurkova] Please, answer this question. To digress from America, what is the first decree that you are preparing as president of great Russia, if it is not a secret?

[Yeltsin] The first decree will come after I assume office. I have never spoken about it in the media, although we have drawn up several decrees. I do not think the first decree should be chosen for its publicity value. Of course, we could make it free travel for pensioners, or something else; but it ought to be a more global decree. The basis of our revival, Russia's revival, is education. Therefore, I feel that the first decree should be on education and universities. What is more, that will be a serious decree.

[Kurkova] I think that is a very good decree, from my point of view. Now, I don't think a single leader of the country or the republic has travelled as widely around the expanses of our motherland as you have in a year's work, because you moved at such a pace and had so many meetings and saw so much. What has that done for you, on the personal level, not only as president of the republic, as you are now, but, specifically, as a person?

[Yeltsin] Professionally, the benefit is, first, that I have a good knowledge of the situation. Second, I have seen that there are different situations in different regions. They are presented as if they were the same, but they really are different. Third, I make decisions: If things are really in such a state that decisions have to be made directly, on the spot, then those decisions get made on the spot. Fourth, I don't know.... Always there are contacts with people which give me some sort of additional biological strength; but I do not know how that is possible. I have not had breakfast, lunch, or dinner with them.

[Kurkova] And the heat!

[Yeltsin] That as well, and I have been working from morning until late at night. Probably, people's biological strenth is transmitted, and then there is the support. You have seen it yourself. Of course, that inspires any person—and me especially—because I am a man who is sensitive to such matters. The election is only the beginning. Next there is the implementation of everything that we have already adopted, over 150 laws and resolutions at the Supreme Soviet and the congress. They must be implemented, and it must be done quickly now, because people cannot be patient for long, and what has been promised—that the economy will be stabilized and that people's lives will start to improve by the end of 1992—must come about. It must come about, because I have seen on my travels and realized once more that the people are giving us some kind of credit of trust for a certain period, maybe 18 months or two years at most, but no more than that.

[Kurkova] And do you have a feeling of tiredness? Or is it the opposite, one of enthusiasm?

[Yeltsin] Me? Yes, by the end I did get tired; but in general I am the sort of man who recovers quickly, you see. Of course, with the situation at home, when there are two large families....

[Kurkova] And not much space, I have myself....

[Yeltsin] Four rooms, and then it is in the city center, near the Belorussian station.

[Kurkova] It's noisy.

[Yeltsin] That's right, there's nothing to breathe, you cannot get much rest. It causes problems. But I can recover quite quickly. I go and play tennis a couple of times, as I should, get it all out of my system in an hour and a half, go for a walk and get some air, and then I'm ready again.

Yeltsin Reports to Parliament on U.S. Trip

LD2606103691 Moscow TASS International Service in Russian 0936 GMT 26 Jun 91

[By TASS parliamentary correspondents Yuriy Kozmin and Andrey Surzhanskiy]

[Text] Moscow, 26 Jun (TASS)—The Russian Federation, while remaining within the renewed union, will develop its own direct links with the United States: this is the main result of the U.S. visit of Boris Yeltsin, recently elected president of Russia. He made this statement while addressing the Russian Soviet Federated Socialist Republic [RSFSR] parliament on the subject of

his trip to the United States which took place on 19-21 June. Boris Yeltsin stressed that the U.S. side had "accepted such an approach from the leadership of the Russian Federation."

According to the president of Russia, the purpose of his trip was to "put the renewed Russia on the political world map after the presidential elections and to convince our partners that the RSFSR is a stabilizing element in world politics."

In three days Boris Yeltsin met representatives of both houses of Congress and addressed the Senate. He described as "substantive" his conversations with U.S. President George Bush, Defense Secretary Richard Cheney, and Commerce Secretary Robert Mosbacher. According to Boris Yeltsin, the members of the U.S. Administration noted that Mikhail Gorbachev and the Union Government "remain the sole partners in the dialogue on strategic questions and international problems." In this connection Boris Yeltsin stressed that the RSFSR leadership "does not intend to create a state of confrontation between the foreign policy of the Union and Russia, and has no intention of forcing its partners to make such a difficult choice."

Boris Yeltsin named as an important aim of his trip to the United States "the creation of conditions for Russia ,too, to move forward toward the world economy." As for economic aid to the Russian Federation, here the president of the republic expressed himself in favor of "mutually advantageous constructive cooperation," while noting that the Russian leadership does not intend to request any credits.

Indicating the great interest in the RSFSR economy shown by U.S. private capital, Boris Yeltsin stressed the need for the Supreme Soviet of Russia to adopt a law as soon as possible on foreign investments, creating equal conditions for all foreign businessmen.

Yeltsin, Gorbachev To Discuss MVD Troops

LD2506160691 Moscow Radio Rossii Network in Russian 1350 GMT 25 Jun 91

[Text] ROSSIYSKAYA GAZETA reports today that the transfer of personnel of a special regiment of the USSR [as heard] Ministry of Internal Affairs [MVD] troops—which was garrisoned in Sverdlovsk—to the Nagorno-Karabakh region has begun. The head of the city soviet has tried to contact the Russian Supreme Soviet, but as yet without result, even though, the newspaper says, Boris Yeltsin declared in Sverdlovsk that no member of the Russian Interior Troops would take part in settling interethnic conflicts. Our correspondent Yelena Kuznetsova has discovered what Sergey Stepashkin [name as heard], chairman of the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet Security Committee, thinks about this:

[Begin Stepashkin recording] In the first place, our congress decision concerned internal affairs bodies, and so far no member of the internal affairs bodies of the Russian Federation subordinated to the Russian Ministry of Internal Affairs and Comrade Barannik, is sent to any hot spot unless he so wishes, so to speak. Further, in our congress decision we stressed that the position of the Congress of Russian People's Deputies, the supreme legislative body of power, is that conscripted servicemen, including Interior troops, should not be involved in the settlement of such interethnic and other political conflicts. Unfortunately, I am constantly compelled to stress that neither the USSR Supreme Soviet nor the Union Ministry of Internal Affairs have responded in any way to this. True, there has been a decision by the president of our country—I mean Gorbachev—to the effect that he has given instructions to the Ministry of Internal Affairs in this regard, and that in the future servicemen—this means conscripted servicemen—should be sent to the hotspots in question only at their own wish. This mechanism, however, has not been worked out yet. Furthermore, the USSR Ministry of Internal Affairs is not exerting sufficiently serious efforts, to say the least, and in this connection the process of sending servicemen there is continuing, including conscripted servicemen.

In connection with this, I had a meeting with Boris Nikolayevich Yeltsin today, 25 June, at which he himself, as president of the Russian state, raised the question of how such decisions by our congress should be regulated. We arrived, in general, at the following common denominator: that Boris Nikolayevich, as president of the Russian Federation, will without fail raise this question again at his next meeting with Mikhail Sergeyevich Gorbachev. And second, we shall be compelled to draw up, most likely at the next [session of the] Supreme Soviet Presidium, an appeal of the Supreme Soviet Presidium to the USSR Minister of Internal Affairs, Comrade Pugo, to the effect that in his activities—including questions of sending servicemen subordinated to the USSR Ministry of Internal Affairs—he should follow to the letter the decisions of the Congress of People's Deputies of the Russian Federation.

Last, and probably most important: This process could quite evidently continue. We shall keep on demanding, we shall ask questions, we shall send our appeals, but the USSR Ministry of Internal Affairs will respond to us, well, all in all it will not respond at all. [sentence as heard] In this connection, Russia's position is like this: We consider that in signing the Union treaty—and a draft, our Russian Federation draft—will be discussed in the near future at the session of the Russian Federation Supreme Soviet—the draft should provide for a mechanism for settling interethnic conflicts, and for the mechanism for the participation of Interior Troops in settling interethnic conflicts laid down in the congress decisions. This we are precisely and unambiguously including in the Union treaty. I consider that this same position—and the Union treaty will be signed in the near future—should finally and unambigously tie up all the loose ends. As for Russia's position, of that you are well aware:

Compulsory service soldiers must not die in settling interethnic conflicts and other political conflicts. [end recording]

Siberian Official Demands Gorbachev Resignation

LD2506174491 Moscow TASS in English 1720 GMT 25 Jun 91

[Report by TASS correspondent Andrey Fomin]

[Text] Chita (Eastern Siberia) June 25 TASS—Nikolay Merzlikin, first secretary of the Chita regional communist party committee, demanded the resignation of Soviet President Mikhail Gorbachev, who is also general secretary of the Soviet Communist Party. Merzlikin described his policies as "anti-people."

In an interview to the local newspaper "ZABAIKALSKY RABOCHY" (Transbaikalia Worker), the local party leader criticised Gorbachev's policies even in stronger terms than eleven first secretaries of Siberia's largest party organisations, who recently published a letter in the local press.

Merzlikin said bluntly that "the party must deny political trust" to the incumbent general secretary of the CPSU Central Committee.

According to him, "the party chief leads people to face harsh tests: Mass unemployment, unrestrained price rises, large-scale poverty, enrichment of the compradore bourgeoisie that is breeding amongst the new state apparatus and criminal elements...."

"Gorbachev and Yeltsin have long teamed up," Merzlikin says, dismissing the president's policies as "a creeping revision of the decisions of the 28th congress of the CPSU."

It transpires from the text of the interview that the communist leader of the Chita region is determined to press for the resignation of Mikhail Gorbachev as general secretary of the CPSU Central Committee. He also demands that Ivan Polozkov, first secretary of the Russian Federation Communist Party, also step down.

Commentary Views Pavlov-Gorbachev 'Performance'

LD2506214991 Moscow Radio Rossii Network in Russian 1350 GMT 25 Jun 91

[Commentary by Nikolay Agayants: "I repent, father, I have sinned"]

[Text] None of us, alas, is without sin. And the path to purification from most foul sinfulness lies, as we know, by way of confession and repentance. With all my heart do I repent before you, esteemed radio listeners, for everything, and beg your forgiveness for misleading you. If one looks into it properly, though, I am not the one to blame, it's the devil's work. Or rather, the work of our oh-so-cheerful prime minister.

You recall, a week ago, during his speech to members of the Union parliament, Valentin Sergeyevich—with the aim of insuring the physical survival of our people—begged the USSR Supreme Soviet to grant his cabinet additional legislative powers in order, that is, to resolve most acute issues urgently. I heard this with my own ears and not without indignation went on to relate it on Russian Radio, saying: How can this be, undermining the president! Impermissible exercise of self-will! Dictatorial pretensions! It turns out that I did not have cause to become alarmed. Everything is all quite in order. In the first place, we all misunderstood Pavlov. Innocent lamb of God, gentle, pure, and free of sin as he was, so is he still. In the second place, the president sees no drama in Pavlov's words: It is simply that some people are sticking their oar in here again, and putting the wrong interpretation on things.

However, the head of state has nothing to reproach the head of his government with, not even in the slightest. As for those who confound society, provoke things, and make for a lack of understanding and clashes—that is to say, people such as I, the slow-witted and negligent ones—well, they ought to be ashamed.

This may be so, but why then so much ado about nothing? Why all of a sudden did the deputies begin to discuss projects of resolution on the premier's report? Did all this really happen? It turns out that nothing has happened at all. This was just a mirage. Perhaps, caused by the heat, the magnetic storms and increased solar activity. No, there is no disagreement between Gorbachev and Pavlov! And thank God. And Valentin Sergeyevich has been reporting on the situation in the country on the personal orders of Mikhail Sergeyevich. In other words, according to a song dating from the old days of repression and Stalinist prisons: "everything is alright, fair lady, everything is alright."

Indeed, everything would have been alright if all of a sudden a most curious, I shall tell you, document had not been signed by esteemed Anatoliy Ivanovich Lukyanov, who does not just sign anything: "Decision of the USSR Supreme Soviet on the socio-economic and political situation in the country." Everything there is as it should be: "to take consideration of," "to take notice,"—and, by the way, this is being said to the USSR president and the Cabinet of Ministers—"to recommend," "to organize," "to present...." And now you try to sort out what this was about and why our glorious parliamentarians were making such windbags of themselves while the head of state was angrily denouncing both the right and the left.

Some people, the less conscious ones, think that this performance in the Kremlin was specially staged in order to make an impression on the West. Look, perestroyka is going ahead, the reforms are here to stay despite the adversaries in opposition, democracy will prevail. Well, I don't know, I don't. One feels like exclaiming together with the famous theater director Stanislavskiy: "I am not

convinced!" And once again asking your forgiveness for what I was or maybe was not guilty of.

Activities of Supreme Soviet Committees Noted

LD2506161991 Moscow All-Union Radio First Program Radio-1 Network in Russian 1200 GMT 24 Jun 91

[Report by Andrey Nikiforov on the 24 June session of the Russian Soviet Federated Socialist Republic Supreme Soviet]

[Summary] Work is going on in committees and commissions. The Committee on the Work of the Soviets is preparing for its second reading a bill on local self-government. The Committee on Human Rights is working on a bill on rehabilitation of victims of political repressions, to be presented for its second reading this session. The Committee on Protecting Public Health is working on a bill on medical insurance. The Committee on Combatting Crime is working on bills on investigative activity and on the Russian Soviet Federated Socialist Republic [RSFSR] procuracy. The same committee is holding in working groups on the subject of non-state detective services—some of these already exist and a legislative basis for them is therefore needed.

With less than three weeks to go to the Congress of People's Deputies, the Committee on Legislation has issued its conclusions concerning amendments to the law on the RSFSR constitutional court; the court is to be endorsed by the congress. And Moscow University Professor (Avgust Alekseyevich Mishin), a law expert, held a consultancy meeting with deputies on matters concerning the Russian presidency and relations between the republic's legislative and executive authorities.

A meeting of the RSFSR Supreme Soviet Presidium is beginning about now, which is to hear reports on bills on consumer cooperatives and education. And it will be presented with a republican program for the development of agricultural science. It is also to consider a draft resolution of the RSFSR Supreme Soviet Presidium concerning the accession to office of city mayors.

Kazakov, Yeltsin Address 26 Jun Session

LD2606094591 Moscow All-Union Radio Mayak Network in Russian 0900 GMT 26 Jun 91

[Text] The Russian Soviet Federated Socialist Republic [RSFSR] Supreme Soviet session is continuing its work today. Khasbulatov, first deputy chairman of the republic's Supreme Soviet opened a joint sitting of the chambers. Kazakov, chairman of the Central Electoral Commission, gave a report on the results of the RSFSR presidential elections, and Russian President Yeltsin reported on his visit to the United States of America. The matter of convening the Fifth Extraordinary Congress of People's Deputies of the RSFSR, and discussion of a number of draft laws are also on the session's agenda. Separate sittings of the chambers, the Soviet of the Republic and the Soviet of Nationalities, will be held this afternoon.

Silayev Addresses Archangelsk Conference 25 Jun

Presents RSFSR Market Program

LD2506203591 Moscow TASS International Service in Russian 1445 GMT 25 Jun 91

[By TASS correspondent Vladimir Anufriyev]

[Text] Archangel, 25 June (TASS)—Ivan Silayev, chairman of the Council of Ministers of the Russian Federation, presented the program for stabilizing the economy and going over to the market developed by the republican government to participants in a conference which opened today in Archangel (northern Russia).

Industrial managers, scientists, and representatives of business circles from many towns of the Russian north are taking part in the four-day conference "Russia's Industry During the Transition to the Market," organized by the republican government.

In a conversation with journalists Ivan Silayev described today's meeting as a working process of discussing and perfecting the paths mapped out in the program. A whole series of similar meetings and discussions in various regions of the republic has been planned.

Commenting on the basic principles of the government program, the Russian prime minister said that it is based on entrepreneurship, on creating an economic atmosphere that would stimulate people to earn means for a worthy life.

Touching, in particular, upon the problems of privatization which the Russian Government is planning to conduct on a mainly free basis, Ivan Silayev said that at the first stage of the transition of the economy to a market, 20-30 percent of major and medium-sized enterprises of the republic should be privatized. He also said that, in the future, the government reckons to change the orientation of Russian industry from output of means of production to the consumer market. If now 24 percent of the industrial potential in the republic is directly geared toward "the individual," this pyramid is to be reversed and the figure should be increased up to 76 percent.

Ivan Silayev described the positive process initiated by the meetings in Novo-Ogarevo and the signing of the Nine plus One statement as a certain guarantor making it possible to implement the Russian Government's program.

On Denationalization, Defense Industry

OW2606020391 Moscow INTERFAX in English 1830 GMT 25 Jun 91

[Following item transmitted via KYODO]

[Text] The RSFSR [Russian Soviet Federated Socialist Republic] Prime Minister Ivan Silayev has called to involve the country's defense complex in the denationalization process, which project should not, in his view, concern the plants manufacturing nuclear and, possibly, other weapons. He was speaking in Arkhangelsk, where a conference called "Russia's Industry During Transition to Market" opened on Tuesday.

The premier said 60 percent of the Russian Federation's industry was directly or indirectly involved in munitions manufacturing. In his view, "a number of the latest resolutions of the union government," including that introducing new custom taxes, "are not conducive to moving toward the market."

As he replied to questions from the audience, Mr. Silayev said the USSR's foreign debt amounted to some 55 billion hard-currency rubles, whereas other countries owed the Soviet Union a total of 100-odd billion. He said "data concerning the internal debt are very controversial, although it is known for certain that the annual worth of our goods supplied to the union republics is by 24 billion rubles higher than the worth of imports into the RSFSR. We think the situation needs correcting."

Russia's Silayev on Government Program

PM2506154091 Moscow MOSCOW NEWS in English No. 22, 2-9 June 91 p 1

[Interview with RSFSR Prime Minister Ivan Silayev by Lyudmila Telen; date, place not given; first paragraph is introduction: "Resignation or Full Speed to Market Economy"]

[Text] The Russian government before and after June 12 (the date when a Russian President is to be elected) was the subject of conversation between an MN correspondent and Russian Prime Minister Ivan Silayev.

[Telen] The programme of your government has been finalized right on the eve of the elections and eve of a probable change of Russian leader. How do you see your programme's future in this situation?

[Silayev] Working on the programme, we proceeded from economic principles, proclaimed by the current supreme power in Russia. Primarily, these are: freedom of enterprise, all-out privatization, open economy and liberalization of prices.

[Telen] What you've just mentioned is enough to suppose that your programme cannot be carried out by Nikolay Ryzhkov or General Makashov, if one of them is elected Russia's President. Will you take the risk to carry it out in case one of those two win the elections?

[Silayev] No. I have no intentions to work with people who reject the idea of market relations. I mean to say that I know Nikolay Ryzhkov's position on this score not by hearsay. I will stay as head of the government only if Boris Yeltsin is re-elected. Naturally, if he offers me the post.

[Telen] Probably then you will immediately get down to implementing your programme. Or do you need additional time for more preparatory work?

[Telen] Just a bit. As a matter of fact, our programme lays down in great detail every step towards building a market economy. Actually, we've made no discoveries there, just returned to the world experience. True, we've taken account of our reality, including the nation's psychological unpreparedness to accept the market economy. That's why we decided to develop subprogrammes on specific directions. Say, privization. The answers to be answered here are: how, when and on what conditions certificates of investment or shares will be issued, how they can be made use of, can they be sold or inherited, for example. In a month and a half or two months at best we'll finish our work on the programme.

[Telen] Will the emerging institute of presidency affect your programme, and how?

[Silayev] The reform of power does not contradict our plans. In fact, it contributes to their realization. The economy is actually the first to suffer from the weakness of power. Without strengthening executive power, in my view, transition to the market economy is not possible.

[Telen] You once said you were counting on cooperation with Prime Minister Pavlov and his Cabinet. Did your hopes come true?

[Silayev] To some extent. Particularly when we drafted a joint programme of action by the Soviet government and the governments of Union Republics. The Premier not only acknowledged that he'd borrowed some ideas from our programme. He also displayed his readiness to make compromises. Of course, some disagreements remain, but by making mutual concessions we'll finally come to an agreement. And this will spare us any resistance from the Centre when we implement our programme.

Leningrad Council Appeals on Name Change

LD2506174291 Moscow TASS in English 1702 GMT 25 Jun 91

[Text] Leningrad June 25 TASS—The Leningrad council today confirmed the results of elections of the city's [words indistinct] Petersburg to the city. Deputies appealed to the Russian parliament, offering to restore the city's historic name.

Over 55 per cent of participants in the June 12 poll favored renaming the city St. Petersburg. Many Soviet parliament members and representatives of the Soviet Communist Party leadership believe that the results of the poll have no legal force, as the decision to give the name of Leningrad to the city was taken by the Congress of Soviets.

They say that at least a decision by the Soviet Congress of People's Deputies is needed to return the old name to the city.

Council of Ministers Presidium on Agrarian Reform

LD2506155591

[Editorial Report] Moscow Russian Television Network in Russian at 1440 GMT on 24 June carries a 20-minute report on a Russian Soviet Federated Socialist Republic [RSFSR] Council of Ministers Presidium session in Moscow on 24 June on the peasant question. The report opens with a video of the presidium in session; Ivan Stepanovich Silayev, chairman of the RSFSR Council of Ministers, is in the chair. Vladimir Fedorovich Bashmachnikov, chairman of the Association of Peasant Holdings and Agricultural Cooperatives of Russia, addresses the session on the land reform issue, saying that there are now nearly (?25,000) peasant farms in the RSFSR holding land in accordance with the land reform law. The reform is being carried out in a piecemeal way, however, with land being allocated faster than planned, and financial credit guarantee arrangements lagging behind, he asserts. Bashmachnikov calls for the urgent establishment of a peasant land bank. The problem of material and technical resources is becoming acute, given the burgeoning number of small farms needing equipment. Silayev then reads out a number of written questions submitted for Bashmachnikov, who in his reply dwells in particular on the plans for a Stavropol-Moscow produce bridge, linking up with the Moscow bourse dealing in farm produce backed by Yuriy Luzhkov, the new Moscow deputy mayor. Silayev asks: "How much foreign currency do you think must be sought in order to give an impetus to your interaction with agricultural equipment manufacturing enterprises?" Bashmachnikov replies: "We are not asking for the 100 billion foreign currency rubles that have been named, but a third of that sum will probably be necessary" to get farms working. Silayev says: "One shouldn't brush aside 100 billion! All the more so since that figure was named both by Boris Nikolayevich Yeltsin and by myself; this task must be resolved, in spite of all our poverty, and taking into account the credits allocated."

The scene cuts to an interval interview, where correspondent Lyudmila Kapyrina interviews Gennadiy Vasilyevich Kulik, RSFSR minister of agriculture and food, on the progress of the debate. Differing views on the agrarian reform are quite normal, he notes.

Next, interviewing Silayev, Kapyrina quotes an article from SELSKAYA ZHIZN, where "a first deputy chairman of the RSFSR Council of Ministers frankly admitted on behalf of the Russian Government that the hopes placed upon private farms and small enterprises had not been justified. One would probably have put no particular credence in this, had it not been for two facts: first, that it was said by a deputy minister; and on behalf of the Russian Government. What is your assessment of this?"

Silayev replies: "Well, first of all, today's sitting of the presidium, which examined this very important, topical, and acute issue, indicates that the government is conducting an consistent policy, a policy of implementing agrarian reform. It does not have the right, even, to act in any other way, for there are laws which make it obligatory to carry out the reform; there are also the resolutions of the second and third Congresses of People's Deputies. Furthermore, we are not merely the executors: We drew up this program in conjunction with the Supreme Soviet, and our line is of course a firm one, and totally consistent. We shall do everything necessary to ensure that the private farming movement gets backing, stands upon its own feet, makes its contribution toward solving the major problems of revival of the countryside, and in particular solving the food program. The decisions adopted today, as you heard, will be directed toward ensuring that we back these processes more actively, and that the fulfillment of Russia's major program, namely land reform, proceeds without deviating. I can therefore express only regret that such a misunderstanding has occurred. All our esteemed farmers, those who have become private farmers and those who are planning to do so, should be reassured: This, I repeat, is a misunderstanding. The government's position is immutable. Furthermore, we are stepping up our backing and stepping up our work in all areas, so that farming may get on its feet and achieves its targets." Kapyrina then interviews a number of farmers on their major problems and their hopes for the future.

Government Develops Economic Plan

OW2606045391 Moscow INTERFAX in English 1230 GMT 25 Jun 91

[Following item transmitted via KYODO]

[Text] Russia's government has worked out a system of measures designed to implement its economic program which provides for improving the situation in the next 2 or 3 years. Under a document drafted in the past few days, in 1992 and 1993 the involvement of foreign investment will reach 8 billion dollars. By 1994 the ruble's exchange rate against the dollar will reach 15:1, and the share of the private sector in terms of fixed assets will reach some 40 percent. Russia's government believes that in 1993-1994 reductions in the production of goods and services will stop.

Despite its intention to secure the process of privatization, Russia's government has said that "the new class of entrepreneurs will be incapable of accomplishing economic transformation in the near future, considering its number, the capital it accumulated, and the extent of its efficiency and competence. Therefore this task must be accomplished by Russia's government."

In its document Russia's government requests Russia's parliament to put an end to lobbying by groups of MPs

and individuals which led to adopting a multitude of resolutions designed to ensure protectionism and opposition to free market.

The government also calls for exercising restraint in the adoption of new social programs, for granting the government the right to introudce, if need be, Russia's own monetary unit, and for giving it the right to regulate the prices of grain and fuel because of their influence on Russia's balance of payments.

Stankevich: Moscow Political Arena Stabilizing

OW2506032491 Moscow INTERFAX in English 1230 GMT 24 Jun 91

[Following item transmitted via KYODO]

[Text] At a news conference Monday First Deputy Chairman of the Moscow City Council Sergey Stankevich said that after the election of Moscow's mayor the political situation in the Soviet capital has begun to stabilize.

He noted that "a majority coalition" supporting the mayor Gavriil Popov is being formed.

S. Stankevich believes the relationship between the mayor-elect and the Moscow City Council should be based on the formula: the effective mayor and the Council supporting him.

S. Stankevich said that though the economic situation in Moscow is far from being satisfactory, it looks better than in many other cities of the country. For example, the so called "visitor's cards" in trade have been canceled recently.

Speaking about the Union Treaty, S. Stankevich stressed that its signing will be complicated largely because of the situations in the Russian Federation and the Ukraine. In his opinion, the draft treaty poses a number of serious problems for Russia. In particular, the question whether republics entering the Russian Federation will sign the treaty as members of a single Russian delegation or as subjects independent from Russia.

The second variant "would mean a national catastrophe for millions of Russians." "The Russian population of the Russia would be deprived of any form of statehood, because there is no Russian republic in the Russian Federation and Russia virtually dissolves in a new Union which is being created," S. Stankevich pointed out.

Possible Senior Appointment For Stankevich

LD2406174791 Moscow Russian Television Network in Russian 1700 GMT 24 JUN 91

[Text] A press conference took place today with First Deputy Chairman of the Moscow Soviet Sergey Stankevich. He spoke about the reorganization of Moscow's administration and the renewed draft Union treaty, which he called quite promising, noting nonetheless that the desire of certain autonomous formations within the Russian Soviet Federated Socialist Republic to join the treaty independently of Russia would be catastrophic for Russia. The RIA [Russian Information Agency] has learned from well-informed sources that Stankevich may be appointed deputy minister of foreign affairs of the RSFSR in the very near future.

Local Editors Protest Press Ministry's Attitude

PM2506075591 Moscow SOVETSKAYA ROSSIYA in Russian 20 Jun 91 First Edition p 1

[Letter from editors of amalgamated city and rayon newspapers in Ivanovo Oblast carried under the "Today's Letter" rubric: "Independence by Coercion"]

[Text] Each day our desks are covered with tens and hundreds of readers' letters. We could cite many cases where the rayon press stands up for its subscribers' interests. But today, alas, we ourselves are in need of protection. We have come together to appeal to SOVETSKAYA ROSSIYA for help.

For many years when honest, true words cost just as high a price as today, SOVETSKAYA ROSSIYA was the sole central newspaper to regularly investigate the problems of the rayon press and defend our editorial collectives. But unfortunately SOVETSKAYA ROSSIYA, too, has begun to forget us of late. But we have no one else to approach with our problems.

The hard-won period of glasnost gave us a short breathing space, but now, when there is every opportunity for creative work, we are forced to fight for our survival. Under cover of the market and the impact of economic sanctions the same old notorious departmental diktat holds sway, forcing us to adopt a certain stance. The paper manufacturers, print workers, and communications workers are blatantly robbing rayon newspapers. The paradox is that the more we earn, the poorer we become. Our losses grow in proportion to the rise in subscription rates and the growth in income from advertising and announcements. The editorial offices are still not entitled to this money and, rayon newspapers which only yesterday were profitable now barely make ends meet because they are receiving excessively increased bills. And what about the previously subsidized newspapers with small print runs in sparsely populated rural rayons?

Tell us how a rayon newspaper is to survive if it is transferred from a republic or oblast budget to a rayon budget and that budget contains no provision at all for expenditure on the local press? For the moment we are being bailed out by subsidy from party committees and local soviets, but what next? Must we continue to hike newspaper prices to the point, now really close, when people will be unable to afford it? And will the stifled newspaper then expire?

In our view, the tactics of the Russian Ministry of the Press and Mass Media are willy-nilly leading us to such an outcome. There is no paper for us, but it is somehow found for various commercial publications. So you cannot help thinking: Who is the ministry protecting?

It is ludicrous and absurd to talk to us professionals about the independence of the "independent press," whatever democratic garb it wears. This "independence" has to be paid for today with insults, lies, and anti-communist hysteria. This price may suit some, but it is unacceptable to honest people with a conscience.

The imposed division of newspapers into party papers and soviet papers has introduced quite a lot of confusion into our work. In Ivanovo, for example, the oblast soviet newspaper is simply unable to appear, ostensibly because the capacity of the oblast printing plant was not taken into account in advance. But at the same time that same printing plant is publishing various commercial publications. It has enough capacity for them.

Rayon newspapers are closer to the people than other publications and reflect peoples's vital everyday concerns. They are the multidimensional, motley "voice of the people" which finds the garb of any single truth too cramped. And that is why the new reformist axe has been raised above us.

[Signed] Ye. Smolin, N. Shiryayev, V. Krasovskiy, A. Surin, and V. Kondraticheva, editors of amalgamated city and rayon newspapers in Ivanovo Oblast, (13 signatures in all).

Western Republics

Moldova

Snegur on Economic Decline, Ties With Republics

PM2506124391 Moscow ROSSIYSKAYA GAZETA in Russian 21 Jun 91 p 3

[INTERFAX report under general heading: "In Sovereign Republics"]

[Text] Kishinev—In a speech on national television Mircha Snegur, president of Moldova, expressed concern at the state of the republic economy. Over the first five months of the current year the national income decreased by 13 percent. One in five enterprises is unprofitable, which means losses of around 90 million rubles for the budget. During the first five months of this year only 100,000 of the planned 1,000,000 square meters of housing were built. Unemployment is becoming a reality. In Snegur's words, "the people are tired of rallies and demand concrete actions." Mircha Snegur emphasized the need "to be realistic, to establish firm ties above all with the Ukraine, Romania, and Union republics." The president expressed himself in favor of switching enterprises under Union jurisdiction to Moldovan jurisdiction, following the Ukraine's example, and creating a national currency.

Snegur Announces Referendum on Independence

OW2506075091 Moscow INTERFAX in English 1530 GMT 24 Jun 91

[Following item transmitted via KYODO]

[Text] "The first referendum in Moldova will be held in autumn on the question of the republic's independence", Moldova's President Mircha Snegur has said in an interview with the Japanese newspaper Asahi.

"We proceed in our policy", he went on, "from the fact that Moldova never agreed to join the Soviet Union and never signed the treaty of 1922". He pointed out that Moldova was included in the USSR under the Molotov-Ribbentrop pact and not by the will of its people.

"The reality is that Moldova's economy is linked with the other republics. We are striving to maintain our links with each of the republics, and may be with the Union as a whole if the formula 9+1 holds," commented Moldova's President.

To the question about a possible unification with Romania the President repeated that the leadership of both Moldova and Romania are sticking to the conception of two sovereign states speaking the same language.

Parliament Approves Privatization Concept

LD2106094191 Moscow TASS International Service in Russian 1025 GMT 20 Jun 91

[Text] Kishinev, 20 Jun (TASS)—Today the parliament of the Republic of Moldova approved the general government concept of the conduct of privatization. It spells out the stages and main theses of that complicated process. According to the MOLDOVA-PRES agency, the parliament did not, however, adopt the law on privatization, considering it necessary to return to it later following substantial additional work. During a two-day debate, the parliamentarians discussed both the official draft, prepared by the republic's government, and an alternative draft, devised by the Social Democratic Party of Moldova. Expressing a great many criticisms of the two draft laws, the parliament instructed a working group to continue to work on this legislative enactment, based on the draft laws that had been discussed and the additions that had been submitted. Specifically, they relate to the realization of individual theses of the privatization process, to the preservation of the principles of social justice, and to the creation of equal starting conditions for all of the republic's citizens.

During the discussion, it was proposed to exclude from the draft laws the theses about the privatization of land, housing, and some other facilities, since special laws will be needed for that. The deputies also insist on agreeing with the thesis of the alternative draft relating to the fact that it is inexpedient to carry out privatization using the

ruble, since this may lead to a situation in which all property is in the hands of dealers in the shadow economy. Agreement was given to this by the government, which envisages in the concept that was adopted implementing privatization with the help of special vouchers, while using the ruble only in exceptional cases—for example, when privatizing surplus housing.

The parliament also insists that, when privatizing medium and large state enterprises, advantages should not be created for their labor collectives. In the deputies' view, only thus can injustice be ruled out, when the workers of rich enterprises become richer, while the poor become even poorer.

However, the final word in carrying out the actual privatization remains with the relevant law. It is as yet unknown how much time will be needed for the additional work to be carried out on the document so that it can be adopted in parliament.

Moldovan City Plans Dismantling of Lenin Statue

OW2606032891 Moscow INTERFAX in English 1230 GMT 25 Jun 91

[Following item transmitted via KYODO]

[Text] In an interview with the national radio of Moldova Chairman of the Kishinev Municipal Council Nikolay Kostin said that dismantling of the monument to Lenin at the Great National Assembly Square will be continued on Tuesday.

On June 21 by order of interior troops command from Moscow a local unit posted the guard by the monument. A meeting with leaders of the unit was held at the Municipal Council. Nikolay Kostin says the two sides reached agreement. It was explained that the decision to dismantle the monument was made democratically at a session of the Municipal Council and that it envisages not its destruction but transfer to the territory of the National Economic Achievements Exhibition.

Deputies Protest Decision

LD2506190991 Moscow TASS in English 1901 GMT 25 Jun 91

[by TASS correspondent Fedor Angeli]

[Text] Kishinev June 25 TASS—The socio-political situation has deteriorated in Moldavia following a controversial decision by the republican government to dismantle the Lenin monument in the centre of the Moldavian capital.

Fifty-nine people's deputies protested the decision by sending an interpellation to the chairman of the Moldavian parliament Aleksandru Moshanu.

The deputies demanded, on behalf of nearly 500,000 electors, that the issue of dismantling the Lenin monument be put to discussion by the parliament and a special decision taken.

However, the Moldavian parliament leaders again showed that they are not going to heed the opinion of "ordinary" deputies and continue to breach elementary ethics and the parliament regulations. The deputies' letter was not even read out.

One deputy who took the floor on this issue was unceremoniously interrupted and her microphone was ordered switched off by Viktor Pushkash, parliament deputy chairman and former chairman of the communist party auditing committee, who presided over the meeting.

One gets the impression that authorities occasionally whip up the situation in the republic on purpose, pursuing their own ambitious goals.

Moldova's OMON Detachment Goes on Strike

OW2606013291 Moscow INTERFAX in English 0930 GMT 25 Jun 91

[Following item transmitted via KYODO]

[Text] The lines of OMON [Special Purpose Militia Detachment] members guarding entrances to Moldova's parliament have disappeared: Moldova's OMON went on strike.

In a letter addressed to the republic's authorities members of the riot police point out that they find it impossible to continue their service. Three years ago, when OMON was formed, its members were promised high wages and different social benefits. Today however the maximal wages of a sergeant with service record in the police force exceeding ten years amount to 520 rubles. There are problems with housing.

So far no one knows whether the demands of OMON members will be met or not. For the time being the men were disarmed.

Ukraine

Parliament Decides To Institute Presidency

PM2506163391 Moscow IZVESTIYA in Russian 24 Jun 91 Union Edition p 1

[From news agency roundup: "The Ukraine Is Going To Have a President Too"]

[Text] A sitting of the Ukrainian parliament has adopted a resolution on the advisability of instituting the post of president before the adoption of the republic's new constitution. It has been decided to hold elections before the end of this year. They will be nationwide.

Parliamentary commissions have been instructed to prepare and submit for the Supreme Soviet's examination a package of draft laws related to the institution of the presidency and corresponding amendments to the present Constitution, INTERFAX has reported.

Ukrainian Groups Object to Union Treaty

Deputies Council

OW2506040091 Moscow INTERFAX in English 1830 GMT 24 Jun 91

[Following item transmitted via KYODO]

[Text] The coordinating council of three regional Soviets of People's Deputies in the Ukraine (the Lvov, Ivano-Frankovsk and Ternopol regions) resolutely objects to having the Ukraine sign the new Union Treaty this year. Its special appeal to the republic's parliament describes debates over the Union Treaty as "inadmissible" at a time when its draft, written "behind the scenes", has never been submitted for large scale popular discussion. "Our republic cannot do that for purely legal reasons, either. Treaties are signed by sovereign states to which the Ukraine does not belong. It has no independent economy, army, controlled borders, finances and other attributes of statehood." According to the authorities in the three Ukrainian regions, by signing the Union Treaty now the republic's Supreme Soviet would violate one of its own resolutions under which the Ukraine must adopt a new Constitution first.

Democratic Forces

OW2506092291 Moscow INTERFAX in English 0930 GMT 24 Jun 91

[Following item transmitted via KYODO]

[Text] A meeting involving thousands of people was staged in Kiev on Sunday with the slogan "No union treaty!".

It was sponsored by the Ukrainian Republican Party, the Rukh [Ukraine People's Movement for Perestroyka] movement, and the Popular Assembly, official opposition in the Ukrainian parliament.

"The threat of signing a new fettering union treaty is hanging over the Ukraine again", Levko Lukianenko, chairman of the Ukrainian Republican Party, told the meeting. "Therefore I urge the democratic forces to join their efforts in the struggle for an independent Ukraine".

As a matter of fact, most opposition members in principle have no objection to a new union treaty. Nevertheless they believe that the latest version suggested by the USSR President Mikhail Gorbachev is unacceptable. "Despite the new beautified phraseology this version is worse than the previous one", said Vladimir Yavorisky, a leading member of the democratic movement and head of the standing parliamentary commission for coping with the consequences of the Chernobyl accident. "We've been deprived of all: Our foreign policy is controlled by the center, our foreign trade is monitored by the center, and our power engineering is in its hands. Proccure on the parliament alone can change the situation. If we sign the shameful treaty, the Ukraine will be thrown back for centuries".

"This union as a state is impossible", Dr. Igor Yukhnovsky who leads the Popular Assembly told the meeting. "Our foremost demand to the parliament is to proclaim independence for the Ukraine. Secondly, the demands of students who staged a hunger strike in Kiev last year and those of coal miners should be met. Thirdly, we'll say "No" to a union treaty till the Ukraine gains the status of full independence and adopts its new constition".

Opposition to the plans to sign a new union treaty was also expressed by the leaders of the Party for a Democratic Revival of the Ukraine, the All-Ukraine Association of Solidarity with Workers, the Party of Democratic Peasants, the Green Party, the Union of Ukrainian Students.

Meetings against the plans to sign a union treaty were held in Dniepropetrovsk, Ilvano Frankovsk, Dnieprodzerzhinsk, Rogatin, Lvov, Borislav, Poltava, Kharkov and other Ukrainian cities.

Republic Oblasts

LD2506153491 Kiev Radio Kiev International Service in Ukrainian 1900 GMT 24 Jun 91

[Text] The Coordinating Council of the Ilvano Frankovsk, Lvov, and Ternopol Oblast Soviets has sent an address to the Ukraine Supreme Soviet. It contains a statement to the effect that the Ukrainian parliament's dealing with matters of the Union treaty, as well as its signing of such a treaty, is at present impermissible.

The draft of the new Union treaty, written behind the scenes, has not been made available for broad all-national discussion. Only a sovereign state can sign agreements with other states. The Ukraine has no economy of its own and does not possess armed forces, its own borders, currency, and so forth. [sentence as heard]

Working People's Congress Ends in Kiev

LD2406175991 Kiev Radio Kiev International Service in Ukrainian 2300 GMT 23 Jun 91

[Excerpts] The constituent conference of the All-Ukrainian Association of Working People's Solidarity ended in Kiev today. Correspondent Serhiy Hubin reports:

[Hubin] Most of the delegates touched the questions with political coloring. They tried to assertain the nature of the Communist Party. They alleged that the party is unlawful, anti-popular and impostor-like. [Passage omitted] One of the delegates, Volodymyr Kryachko,

said that from 1969 to 1987 over 1,500 villages vanished from the Ukraine. Together these villages amount to a grain-growing state. In the same period 6 million villagers escaped from the countryside and settled in towns. The village as such does not exist any more, nor does the peasant. What we have in the countryside are camps with collective farm serfs. [passage omitted]

The conference adopted several petitions to the Supreme Soviet and Cabinet of Ministers. Some of them contain the message that if the demands of working people are ignored, the association is prepared to initiate a workers' campaign of civic disobedience. [passage omitted]

After the congress ended, many delegates hurriedly left for a huge anti-Union treaty meeting in the center of Kiev. [passage omitted]

All-Ukrainian Strike Committees Congress Opens

OW2406082691 Moscow INTERFAX in English 1800 GMT 21 Jun 91

[Following item transmitted via KYODO]

[Text] The founding congress of the Ukrainian Union of Striking Committees was opened in Kiev on Friday with a mass served by the Archbishop of the Ukrainian Independent Church Vladimir Romanyuk.

Only 210 out of 384 delegates were able to arrive in time for the opening. The IF [INTERFAX] correspondent was told at the organizing committee that they had been detained by the management of their industries and the local authorities in the regions with Communist administration.

Speaking before the delegates on the programme the Chairman of the organizing committee Vladimir Romanyuk defined the aim of the Union as social, economic, political, and legal protection of the Ukraine's working people.

"Both the Communist and the opposition parties," explained V. Romanyuk, "are trying to subdue the striking workers' movement." But he thinks that the Union should be independent of all parties.

The congress is expected to discuss the rules of the new organisation, its structure, methods and forms of protecting the people.

"In that function our Union is close to trade unions, with time we hope it will grow into a free and independent trade-union in place of the existing Ukrainian trade-union centres," the IF correspondent was told by a member of the organizing committee—Igor Shvets.

I. Shvets thinks that the Union can succeed in "what's been above any political party—in winning sovereignty for the republic and turning it into a free independent state."

"The spring strike by the miners," said I. Shvets, achieved what was elusive to Rukh, or the Ukrainian Workers' Party, or any other force—it united the workers of the Left and Right Bank Ukraine."

Crimean Tatar Congress Previewed

LD2506142591 Moscow TASS in English 1351 GMT 25 Jun 91

[by TASS special correspondent Lydmila Aleksandrova]

[Text] Simferopol June 25 TASS—A congress of Crimean Tatars is to open in Simferopol, capital of the Crimean Autonomous Soviet Socialist Republic, on Wednesday.

Nearly 280 delegates, elected by Crimean Tatars living in compact communities across the Soviet Union—especially in Central Asia and the Krasnodar territory—are expected to discuss the return of Crimean Tatars to their homeland for permanent residence.

The congress, which is due to last until June 29, will be attended by many guests, including representatives of Crimean Tatar organisations abroad.

Crimean Tatars, like many other ethnic communities, suffered under Stalinist repressions. Nearly 180,000 Tatars were deported from the Crimea to Central Asia and Siberia on May 18, 1944. Tatars were only allowed to return after 1987. Experts estimate the number of Tatars now living in the Soviet Union at between 300,000 and 350,000.

More than 130,000 Tatars have returned to the Crimea over the past five years. The return has been hampered by many problems, including housing, water and job shortages and the lack of an adequate social infrastructure.

Resettlement work is being carried out within the framework of a national programme subsidized from the union budget, which earmarked 200 million roubles for the purpose this year.

Among ethnic groups in the Crimea now, Tatars are a minority—1.8 per cent of the total population, whereas Russians account for 68.7 per cent and the Ukrainians for 29.3.

Nevertheless, Crimean Tatar movements claim leadersip for themselves as historically the entire Crimea was theirs. They called for boycotting last January's referendum on restoring the Crimean Autonomous Republic and refused to recognise people of different ethnic backgrounds as equal in the Crimea. They are now working to create a Crimean Tatar autonomy.

Many organisers of the congress, above all the organisation of the Crimean Tatar movement, are against limiting the agenda to discussing the relocation and settlement. They call for discussing the creation of parallel power structures at all levels. They insist on establishing

a Majlis as the supreme body of national self-government and village and district councils as bodies of local self-government of Crimean Tatars. These moves could easily lead to greater inter-ethnic tensions in the Crimea, where numerous new problems are arising due to the mass influx of groups of Crimean Tatars.

Caucasus

Georgia

Gamsakhurdia Hopes for Dialogue With Gorbachev

OW2406130191 Moscow INTERFAX in English 1500 GMT 21 Jun 91

[Following item transmitted via KYODO]

[Text] Georgia's President Zviad Gamsahurdia has expressed hope that a "consultative" dialogue will be carried on with Mikhail Gorbachev. He said so in a talk with Hungarian journalists when they asked about his opinion on the coming Soviet-American summit.

"The policy of pressure on the republics which have chosen the way of democratic reforms and restored statehood is hopeless", he insisted. But the Georgian President has information that the USSR State Planning Committee is preparing a package of proposals on declaring an economic war on a number of republics. "The officials of that Committee and some other central ministries are still thinking in terms of the old stereotypes, trying to punish the republics, no matter how much Mikhail Gorbachev is calling on them to adopt the new thinking", explained Zviad Gamsahurdia.

Georgia Publishes Draft Citizenship Law

LD2506154391 Moscow TASS International Service in Russian 0826 GMT 25 Jun 91

[Text] Tbilisi, 25 Jun (TASS)—A draft law on citizenship of the Republic of Georgia was published here today, reports SAKINFORM agency.

According to the draft, a person who has lived permanently in Georgia for the last ten years, speaks Georgian—and in the Republic's two autonomous areas, Abkhazia and Adzharia, the local state language as well—knows the basic principles of the Georgian Constitution and recognizes it, has a permanent job in the republic or a legal source of permanent income, or some real estate, can become a citizen of the Republic of Georgia.

Citizens of foreign states or people without citizenship can become citizens of Georgia without having resided there for ten years for special services to the Republic of Georgia.

Those wishing to adopt citizenship are asked to sign a declaration and an oath of allegiance to the Republic of Georgia. Eligibility for citizenship is established on an individual basis according to the applicant's permanent place of residence by temporary commissions at the local bodies of power.

The draft stresses that citizens of Georgia are equal before the law regardless of their origin, social or property status, race or nationality, sex, education, language, attitude to religion, political or other convictions, type and nature of work, place of residence and other circumstances.

Adzharian Supreme Council Elections Held 23 June

AU2406091491 Tbilisi Radio Tbilisi Network in Georgian 0200 GMT 24 June 91

[Text] Our correspondent from Adzharia, Shalva [surname indistinct] has informed us that, after having been postponed three times, elections to the Adzharian Supreme Council were held in the autonomous republic yesterday.

Forty electoral districts and 315 electoral precincts have been created. The Central Electoral Commission has registered 13 political parties and societies of which 10 parties have united to form three party blocs: the "Adzharia" bloc that is composed of the Khelvachauri, Keda, and Shuakhevi organizations belonging to the Georgian Popular Front and also organizations belonging to the Republican Party; the "Roundtable—Free Georgia" regional organization bloc that is composed of the Helsinki Union, the All-Georgian Society of St. Ilia the Righteous, the Radical Union of the Georgian National Front, and Adzharian regional organizations belonging to the Georgian Traditionalist Union, and also the Khelvachauri regional organization belonging to the Georgian National Christian Party; and the "Economic Restoration" bloc that unites the Georgian Constitutional-Democratic Party and Adzharian regional organizations belonging to the Georgian Progressive Democratic Party.

The remaining three political parties participating in the elections are the Adzharian [word indistinct] organization belonging to the Georgian Independent Communist Party; Adzharian regional organizations belonging to the All-Georgian Rustaveli Society; and the Batumi, Kobuleti, Khelvachauri, Keda, Shuakhevi, and Khulo regional organizations belonging to the All-Georgian (?Afghan Peace) and Freedom Party.

The number of candidates registered is 513.

The results of the elections will be given in today's news broadcast.

Preliminary Results Cited

AU2506100991 Tbilisi Radio Tbilisi Network in Georgian 0400 GMT 25 Jun 91

[Text] Yesterday the Central Electoral Commission responsible for the elections to the Supreme Council of the Adzharian Autonomous Republic, was continuing to

summarize the results of the voting in the election of deputies to the autonomous republic's Supreme Council held on 23 June.

According to preliminary data, 60-70 percent of the electorate participated in the election campaign in Adzharia. The highest turnout was observed in the mountainous region of Adzharia and in Kobuleti rayon.

Yesterday evening our Batumi correspondent, Shalva Archvadze, supplied us with the following information from the Central Electoral Commission that has summarized the results of the elections held in Batumi:

The number of voters who participated totaled 43.5 percent.

Fresh elections will have to be held in 10 of the town's 14 electoral districts as more than 50 percent of the electorate did not vote.

There will have to be a second round of voting in three electoral districts as no candidate obtained the necessary number of votes. However, in the town's second electoral district, elections were completed in the preliminary round. Here, in accordance with [word indistinct] procedure, the independent candidate Rostom Dolidze was elected Supreme Council deputy.

In accordance with [word indistinct] procedure, the "Roundtable—Free Georgia" regional organization bloc obtained the largest percentage of votes in the elections—50.12 percent; the "Adzharia" electoral bloc—30.2 percent; the "Economic Restoration" bloc—14.8 percent; the Adzharian (?district) organization belonging to the Georgian Independent Communist Party—12.7 percent; the Adzharian regional organization belonging to the All-Georgian Rustaveli Society—4.8 percent; the Batumi, Kobuleti, Khelvachauri, Keda, Shuakhevi, and Khulo regional organizations belonging to the All-Georgian Afghan Peace and Freedom Party—4.2 percent.

The Central Electoral Commission has informed us that in Khelvachauri Rayon [passage indistinct].

Abkhazia Parliamentarians Reject Union Treaty

OW2506045391 Moscow INTERFAX in English 1830 GMT 24 Jun 91

[Following item transmitted via KYODO]

[Text] A group of members of Abkhazia's parliament have sent its chairman Vladislav Ardzinba a message saying that neither the disposition of forces in the Abkhaz Supreme Soviet nor the results of the national (of March 17) referendum on the preservation of the USSR or the republic-wide (of March 31) referendum on restoring Georgian independence give any reasons for Mr. Ardzinba to sign the new Treaty of Union.

The messages says that the leadership of the Georgian republic within which Abkhazia exists as an autonomous entity, has lately taken a number of specific steps to stabilize the situation in Abkhazia. At the same time, the authors have learned from the media that Chairman Ardinba has repeatedly stated Abkhazia's readiness to sign the new Union Treaty has a subject of the USSR federation. "Signing the treaty at a time when Georgia is not going to do so is evidently aimed at not only altering Abkhazia's status but also damaging the territorial integrity of the Republic of Georgia, which move will be flagrantly at odds with the existing Constitutions of the USSR, Georgia and Abkhazia," says the message.

Georgians Worried About Socioeconomic Problems

AU2506145091 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 13 June 1991 p 1

[Article by Professor Leo Chik'ava, director of the Georgian Academy of Sciences Demographic and Sociological Research Institute; Dodo Qaraulashvili, head of the Department of Sociological Research Into Social and Political Changes: "The Presidential Elections: Forecasts and Reality"]

[Excerpts] A public opinion poll that was carried out a week before the Republic of Georgia presidential elections by the newly created Georgian Academy of Sciences Demographic and Sociological Research Institute had two fundamental aims: first, to enable us to receive sociological information that has been clearly forecast on the basis of research; second, to enable us once more to verify how reliable and representative our research is from a purely scientific point of view. [passage omitted]

The poll that was based on a previously chosen model was carried out in 15 regions of Georgia: Tbilisi, Kutaisi, Telavi, Terjola, Zugdidi, Bolnisi, Dusheti, Khashuri, Lanchkhuti, Ochamchire, Kobuleti, Khelvachauri, Sokhumi, Akhaltsikhe, and Gori. In all, 1,708 respondents were polled and made up both city and country dwellers. [passage omitted]

The electors expect the president elected by the people to resolve the following problems in the near future:

—socioeconomic problems and an improvement in people's standard of living—49 percent.
—the achievement of real independence for Georgia—22.7 percent.
—the improvement of interethnic relations in Georgia—18 percent.
—a resolution to the Samachablo [South Ossetian] problem and peace in Georgia—12.8 percent.
—the strengthening of law and order and the struggle against crime—8.6 percent.
—the implementation of agrarian reform—5.4 percent.
—the removal of the occupational forces from Georgia—4.1 percent.
—the introduction of Georgian citizenship—4.1 percent.
—the improvement of relations with opposition forces and the protection of democracy and human rights—4.7 percent.

—the establishment of diplomatic relations with foreign countries—4 percent.

The remaining number referred to other problems.

As an analysis of the findings of the poll shows, every fifth respondent (20 percent) expects the newly elected president and other politicians to provide additional information via the mass media concerning the following questions:
—Georgia's economic future and the prospects regarding the people's social position.
—clarification of the means by which Georgia can achieve real independence.
—ways of resolving the problems of interethnic relations. [passage omitted]

Armenia

Post of President Established in Armenia

LD2506145691 Moscow TASS International Service in Russian 1040 GMT 25 Jun 91

[By TASS correspondent Tigran Liloyan]

[Text] Yerevan, 25 Jun (TASS)—A session of the Armenian Supreme Soviet decided today by a majority of votes to establish the post of president of the republic. He will be elected by general, secret, and direct election.

Explaining the need to establish the post of president, Levon Ter-Petrosyan, chairman of the Armenian Supreme Soviet, noted that the reorganization of current structures of state power in the republic stems from the fact that they do not meet "the demands of society and from their inability to serve national, political, and socioeconomic tasks" of the people of Armenia.

Levon Ter-Petrosyan again expounded the point of view that the current Soviets of People's Deputies can be a living working mechanism only with the cementing force of the Communist Party, without which, according to the chairman, the Soviets are ineffectual. By retaining the former system of power, Levon Ter-Petrosyan stressed we are delaying the solution of many cardinal questions of sociopolitical and socioeconomic life in the republic. In his opinion, the current state of anarchy in Armenia is weakening the republic both from within and from without and is "strengthening the lack of confidence of Moscow and other republics as well as of the public abroad in the capabilities of the Armenian authorities."

Deputies instructed that a package of proposals for holding presidential elections and on changing the Constitution of the republic should be formulated within 20 days.

The session is continuing.

Election To Be Held 16 Oct

LD2506171691 Moscow All-Union Radio First Program Radio-1 Network in Russian 1600 GMT 25 Jun 91

[Text] A decision on creating the post of president was announced today at the Armenian Supreme Soviet session. The question of the date for elections caused heated debates. Having rejected a suggestion to hold elections on 21 September, together with the referendum on Armenia's secession from the USSR, parliamentaries decided to hold elections on 16 October.

10,000 Protest Government's Policy on Yerevan

LD2506144791 Moscow Radio Rossii Network in Russian 1230 GMT 25 Jun 91

[Text] A meeting to protest the republican government's policy has been held on Freedom Square in Yerevan. About 10,000 people took part. Their main demand was the dissolution of the current Supreme Soviet, multiparty elections to parliament, and the election of a president.

MVD Troops Sent to Nagorno-Karabakh

LD2506135591 Moscow Radio Rossi Network in Russian 1300 GMT 25 Jun 91

[Text] Many of you probably remember the amount of acid comments evoked by Boris Nikolayevich Yeltsin's statement about our wanting to create a Russian Army. I was at the news conference, there was no such statement, there was just a hint that if things were to go a certain way, then an army would have to be formed. But what I would like to speak of now is something else: it was stated at that same news conference that the troops of the Russian Ministry of Internal Affairs should not be involved in any interethnic conflicts. In particular, the situation in Nagorno-Karabakh was discussed. But now something nobody expected is happening. Here is our correspondent in Sverdlovsk, Innokentiy Sheremetov:

[Sheremetov] The transfer of several Internal Troops units from Sverdlovsk to Stepanakert by aircraft began on 21 June. According to unofficial but reliable sources, the number of troops is up to 1,000. The leadership of the city and oblast internal affairs departments turned out to be ignorant of the transfer, and it was only (Maj.-Gen. Skureykhin), deputy chief of Internal Troops for the Urals region, that confirmed this information. However, he refused to comment on the numbers of men.

According to him, the transfer of troops is taking place in accordance with the instructions of Lt.-Gen. Shatalin, chief of the USSR Internal Troops. Most of the troops are conscript servicemen. There can be no question of their volunteering, (Skureykhin) said; they are going to Stepanakert under orders. Shatalin has just thus publicly ignored Boris Yeltsin's solemn promises not to send Russian Internal Troops to zones of interethnic conflict.

Armenia's Military Draft Facing Complications

OW2606054091 Moscow INTERFAX in English 1230 GMT 25 Jun 91

[Following item transmitted via KYODO]

[Text] This year's draft for military service in Armenia is going on in a complicated situation, said Erdjanik Abgarian, spokesman for the parliamentary commission on defence and national security, in an interview for local TV on Monday. Now Armenians can choose where to undergo their army service in their own republic or elsewhere.

So far only some 1000 men have been conscripted. Still there are cases of leaving army units without permission, including units stationed in Armenian territory, for which the perpetrators will be punished with due severity, said Erdjanik Abgarian.

He said he hopes that the issue of letting draftees from Nagorny Karabakh undergo their military service in Armenia will be resolved. Assistance has been given in this respect by the command of the Soviet armed forces deployed in Armenia, said E. Abgarian.

With reference to the plans to form a national army he noted that this is a complicated and time consuming process which might take several years. According to him, to form such an army now is impossible.

Progress of Privatization in Armenia Noted

PM2606125791 Moscow Central Television First Program Network in Russian 1800 GMT 21 Jun 91

[From the "Vremya" newscast: Report by V. Nazaryan and M. Nersesyan]

[Text] [Nazaryan] Until just recently this store in the Araratyan district of Yerevan belonged to the state. More precisely, it belonged to the No. 5 Food Trading Administration of the republic's capital. And although they have not had time to change the signboard, it is now privately owned.

The former manager, Vladimir Synovchan, who has been in the trade for over 30 years, along with 11 members of the collective bought the establishment at auction for 186,000 rubles [R]. The range of goods, as you can see, is more than abundant here, particularly compared with the practically empty shelves of the state stores. It is expensive, obviously, but the prices nevertheless are lower than the market prices. Furthermore, free prices do not extend to a whole range of goods. Bread or dairy products, for example, which are very much in short supply in Armenia at the moment, are sold strictly at state prices.

With each day on the streets of Yerevan and other cities in the republic there is more and more evidence of privatization being carried out—privately owned stores, hairdressing salons, dry cleaning establishments, and cafes.

[P.S. Kaltakhchyan, acting chairman of the Armenian Council of Ministers Committee for Privatization] At the present time we have sold a total of 28 establishments at three auctions, which have brought in R11 million.

[Nazaryan] How does this relate to the paper value of these establishments?

[Kaltakhchyan] They are worth on the order of 10 times more.

[Nazaryan] Next week, 29 June, the next auction will be held in Yerevan. Another 15 state trading establishments and consumer amenities will be auctioned off.